

**FALKIRK COUNCIL**

**Subject: GROWTH : INVESTMENT : INCLUSION  
FALKIRK ECONOMIC STRATEGY – FINAL DRAFT**  
**Meeting: EXECUTIVE**  
**Date: 1 DECEMBER 2015**  
**Author: DIRECTOR OF DEVELOPMENT SERVICES**

**1.0 INTRODUCTION**

- 1.1 The purpose of this report is to present the final draft of the new Falkirk Council Economic Strategy, led by the recommendations of the Economic Strategy Policy Development Panel.
- 1.2 The Executive received an update report on the development of the Economic Strategy on 29<sup>th</sup> September 2015. In the intervening period, an open online consultation has been carried out and completed. The findings of the consultation have been incorporated into the report along with the comments and work of the Policy Development Panel. The proposed final version of the Falkirk Council Economic Strategy is attached as Appendix 1 for consideration.

**2.0 BACKGROUND**

- 2.1 The development of the Economic Strategy has been led by a Policy Development Panel (PDP). Its members are Councillor Dennis Goldie (convener), Councillor Jim Blackwood, Councillor Linda Gow, Councillor Tom Coleman and Councillor Sandy Turner. The Panel has met on four occasions to agree the scope of its work, consider evidence, agree the draft for consultation and approve the final version.
- 2.2 The timetable agreed for the Strategy's preparation was as follows:
- 29 September 2015** - Executive meeting – draft strategy presented for approval to go to open online consultation.
- 2 October** - consultation commences on Falkirk Council website with responses collected via an online survey form or directly by email.
- 6 November 2015** – closure of consultation period and comments incorporated into final version for presentation to final PDP session
- 16 November 2015** – presentation of final draft to Policy Development Panel.
- 1 December 2015** – final strategy document presented for approval to Executive committee.
- 2.3 The process has incorporated views of stakeholders to assist the development of the new strategy through PDP meetings, Falkirk Business Panel events, other relevant forums and engagement with local individuals, groups and businesses including:
- The Falkirk Economic Partnership

- Local businesses at the Business Panel Update event on 25th March in a discussion format involving c100 businesses.
- Meetings with key services within Falkirk Council.
- A round of external consultation with organisations and advisers on economic policy including key partners such as Scottish Enterprise, Scottish Government, SCDI etc.
- Engagement with key sector bodies e.g. Chemical Sciences Scotland
- A full open online consultation exercise

### 3.0 CONSULTATION RESPONSES

- 3.1 Responses received were incorporated in the draft reports at each stage and the final part of the consultation process was an open online consultation to garner the views of as wide a section of the Falkirk area community and relevant stakeholders as possible. A total of 39 responses were received. The results of this consultation have been incorporated into the draft strategy and are summarised below:

#### Consultation responses:

Do you agree that the matters raised in this review are important for the Falkirk Council area's economy?

Yes	No	Don't Know
94%	6%	0%

Do you agree that the opportunities and challenges suggested in this document are relevant to the prospects for Falkirk's economy?

Yes	No	Don't Know
94%	3%	3%

Do you agree with our approach to preparing this strategy?

Yes	No	Don't Know
67%	17%	17%

Do you agree with the vision for the Falkirk Council area's economy suggested in this strategy?

Yes	No	Don't Know
56%	13%	30.43%

Do you agree with the ideas to progress our priorities to enhance Falkirk's economy suggested in this strategy?

Yes	No	Don't Know
74%	17%	9%

### 3.2 **Open Question summary**

The survey sought the views of the respondents on the vision, the process, the challenges and opportunities and the three priority areas of growth, investment and inclusion. The responses are collated in appendix 2 and a summary appears below.

- 3.3 A number of respondents highlighted the opportunities around tourism as an area that required more focus. The final draft features tourism as a key growth area and refers directly to the work set out in the Tourism Strategy for Falkirk, published earlier this year.
- 3.4 Another point raised was around the broadening of the industrial base in Falkirk specifically increasing the range of industries located in Grangemouth and this approach is reflected in the strategy. The on-going work on the Grangemouth Energy project aims to deliver new opportunities in renewable and sustainable energy whilst supporting the development of existing Grangemouth industry which is essential to the local and national economy. The strategy recognises that industrial development in Grangemouth needs to take into account the impact on the local community.
- 3.5 Reviewing procurement processes to ensure that they are open to all businesses was highlighted the strategy highlights the benefits of initiatives such as the Supplier Development Programme which delivers procurement support to businesses across Scotland to assist in tendering for public sector contracts.
- 3.6 Some of the comments in the consultation response chime with the approach taken in the National Planning Framework and these are reflected in the strategy to develop Grangemouth as a National Logistics Hub. The strategy highlights that there is a real opportunity to take advantage of Falkirk's position in central Scotland to become a key location for the movement goods and people at the centre of Scotland's economy.
- 3.7 Town centre regeneration was an important issue and specifically that we need to ensure that all towns are included in the development works and that the focus doesn't fall too heavily on the larger settlements. This is addressed in the Strategy. Better transport and digital infrastructure and improved access were also identified as a way to help to revitalise the area's town centres. There was also a call to implement Scottish Government's Town Centre First Principle.
- 3.8 When asked for other challenges that the area would face, a significant issue concerned education and skills and the impact that this has on inclusion. This included concerns about lack of funding and the correct type of skills development to help young people into the world of work. Better linkages must be formed between local partners and the private sector to ensure that young people have the skills that will allow them to take up the jobs that are available in today's economy and that can be created through the stated investment plans for the future.
- 3.9 Some respondents suggested that the section on inclusion should be reinforced, particularly in relation to low wages in employment and gender issues and this section has been developed in the final draft. Addressing in-work poverty and access to employment for all are key strands of this. Again better public transport was raised this time in the context of inclusion to improve mobility across the region and to help people access employment, leisure and support services in different areas.

## **4.0 MONITORING, REPORTING AND REVIEW**

- 4.1 In order to reflect changing economic conditions, the Economic Strategy is being delivered as a dynamic document that will be updated regularly to take into account movements in the local economy and in the position of Falkirk Council. A summary version of the document will be produced for wider dissemination.
- 4.2 A formal review will be carried out after 5 years to ensure that the Economic Strategy remains valid and relevant. It is expected however that a process of regular informal review should ensure that the document remains up to date and reflective of the wider economic situation.
- 4.3 On-going monitoring will allow Falkirk Council to measure progress against stated aims. Taking each of the three priority areas in turn, the strategy document sets out targets for each area in detail, summarised below:
- a) Growth targets
    - Increased number of growth and start-up business supported by Business Gateway
    - Improved availability of premises and land for expansion and growth
    - Links developed between education and business to introduce a culture of innovation
    - Increased proportion of skilled workers in the workforce
    - Increased proportion of local products being exported
  - b) Investment targets
    - Completion of the TIF investment programme
    - Delivery of investment for key projects
    - Secure Grangemouth's place as a key centre for the Scottish economy
    - Deliver an innovative energy project to reinvigorate Grangemouth and future-proof new developments including the Falkirk Gateway
  - c) Inclusion targets
    - Increase positive destination figures for school leavers
    - Increase numbers participating in higher education
    - Increase the proportion of disabled residents in work
    - Reduce the proportion of Falkirk residents experiencing in-work poverty
- 4.4 Delivering against these targets will be contingent on identifying the financial and other resources available from the Council and its partners in the public, private and third sectors. This will include the need to take into account budget decisions to be made by the Council.

## **5.0 RECOMMENDATIONS**

### **5.1 The Executive is asked to:-**

- i) consider the final Economic Strategy document as developed by the Policy Development Panel and, if agreed, approve for publication;

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**Director of Development Services**

Date 19 November 2015

Contact Officer: Douglas Duff extn 4952

### **LIST OF BACKGROUND PAPERS**

1. Falkirk Economic Strategy – Final Draft
2. Economic Strategy online consultation responses

***Growth: Investment: Inclusion***  
***– an economic strategy for Falkirk 2015-25***

1. Foreword
2. Falkirk's economy: Review
3. Challenges and Opportunities
4. Falkirk 2025 – Purpose of the economic strategy
5. Our Vision

Priority 1 – Growth

Priority 2 – Investment

- Grangemouth - Investment Zone of National Significance

Priority 3 – Inclusion

6. Delivering the economic strategy

## Foreword

Falkirk is being transformed. From a past reliant on heavy industry, Falkirk is recognised for its commitment to the future, to new economic prospects in manufacturing, chemical sciences and logistics; in new service industries and in attracting tourists to our area. It is an area committed to growth, attracting investment and including all in its communities to benefit from its economic prospects.

This economic strategy sets out our ambitions for the area's future, creating a smarter, more sustainable economy which offers opportunity for all. It is being pursued by the Council and its partners whose efforts are galvanised through the Falkirk Economic Partnership, formed in response to the situation of potential closure at Ineos in 2013.

Excitingly, Falkirk's journey of transformation is well known. The Falkirk Wheel, Helix Park and the Kelpies provide internationally recognised symbols of change. They have established a growing tourism market. The ambition of the local community, the businesses and the public sector partners to work together is solid and a platform for further success.

The purpose of this strategy is to set out what we wish to achieve, consider any obstacles to change and how to overcome them to the benefit of all in our communities. We want this to be a living document and wish to engage people about our shared economic future. Falkirk's Economic Strategy will be reviewed and refreshed regularly so that it reflects the hopes, needs and ambitions of our entire community.

# 1. Falkirk's Economy: Review

Our economic strategy is informed by an understanding of our past, present and influences for our future. Our economic review has highlighted the following:

## Demographics

Falkirk's population has been rising over the last 20 years, increasing from 142,240 in 1993 to 157,140 in 2013. Latest projections suggest the population will increase by a similar amount over the next 24 years to around 173,000 by 2037.

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*'Falkirk's population has increased at more than double the national rate over the last 20 years'*

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Falkirk population has increased at more than double the national rate over the last 20 years. While the number of children is projected to increase slightly in the future, the number of older people will increase considerably, with those aged 75+ increasing by 94% by 2037. The over 50s increased by a third from 1991 to 2013 but should remain steady for the next 24 years.

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*'the number of inhabitants over 75 is estimated to almost double by 2037'*

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## Productivity

Productivity levels in the UK, Scotland and the Falkirk area present a challenge. The Gross Value Added (GVA) for Scotland in 2013 was estimated to be £117.1 billion giving GVA per person of £21,982. The equivalent GVA for Falkirk Council area in 2013 was estimated at £2.6 billion with a GVA per person of £16,509.



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*‘we need to strive for greater recognition of Falkirk’s contribution to economic growth particularly through exports and imports not only activity that originates here’*

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Falkirk’s GVA per head of population has been lower than that of Scotland, the UK and Eastern Scotland for the last 15 years. In 2013, Falkirk was 30% lower than the UK figures and was 25% lower than the Scottish and Eastern Scotland figures. This disparity has increased since the start of the economic downturn in 2008. (Insert Chart)

Manufacturing is a particular strength of our economy, contributing almost a quarter of Falkirk’s GVA in 2012. This compares to just over 10% across Scotland as a whole. This is largely due to the impact of the petro-chemical complex at Grangemouth which is a leading contributor to the local economy.

Falkirk was above the Scottish average in its contribution to GVA in the construction industry - 9.0% compared to 6.4% - and distribution, transport, accommodation and food - 19.9% compared to 17.4%.

Conversely, information and communication, finance and insurance, real estate and business service activities contributed over 30% of the Scottish total GVA, whereas in Falkirk they contributed less than 16%.

In primary industries such as farming, mining etc., the national GVA contribution was 8.3% whereas in Falkirk they only contributed 3.7%.

### **Labour Market**

Falkirk has had a consistently higher economic activity rate than Scotland and the UK over the last eight years. 66,600 were employment while 7,500 were self-employed, making up 10.2% of the employed population. This is a smaller proportion of self-employed than in Scotland as a whole, where the percentage of self-employed was 11.0%. About two thirds of self-employed people are males, only one third female.

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*‘Falkirk has had a consistently higher economic activity rate than Scotland and the UK over the last eight years’*

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12,500 more people commute out of Falkirk Council area to work than journey in. This compares with a net difference of 7,150 in 2001. The three areas to which there is the greatest net out-commuting are Stirling, Edinburgh and Glasgow. In spite of the increase in the level of commuting, the pattern has changed little between 1991 and 2011.

The earnings of people living in Falkirk are slightly lower than the Scottish and the Great Britain averages. The median gross weekly earnings for full time workers in 2014 living in Falkirk was £508.70, 1.8% lower than the Scottish median of £518.20 and 2.3% lower than the Great Britain median of £520.80.

From 2008 to 2012 the median weekly earnings for men increased by 18%, but over the same period women's weekly earnings increased by only 6%. However, women's earnings have decreased in the last two years. Women's earnings in 2014 were over 30% lower than those of men and this gap has increased since 2012.

### **Skills and qualifications**

The Falkirk figures show a similar pattern to Scotland as a whole, although generally the level of qualifications held is lower. The percentage of people with an HNC/HND, degree or higher qualification is higher across Scotland (41%) than in the Falkirk Council area (34%) and this applies across the full age range of 16-64.

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*'Since 2007 attainment has improved'*

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Since 2007 attainment has improved. For example, the percentage of S4 pupils achieving 5+ Standard Grades improved from 30.4% to 38.7% and the percentage of S6 pupils achieving 5+ Highers increased from 16.3% to 25.9%. 19.2% of S6 pupils achieved 5 or more Highers which is slightly lower than the Scottish rate of 26.6%. At the same time the gap between Falkirk and Scotland has decreased so that by 2013, the Falkirk attainment figures were very similar to those across Scotland.

Overall, almost the same percentage of Falkirk school leavers went into a positive destination in 2013/14 as across Scotland - 91.1% compared to 91.4%. However, fewer in Falkirk went into Further or Higher Education, with more going into training or employment.

Since 2006/07, the percentage going into Further and Higher education has increased in both Falkirk and Scotland as a whole. The percentage going into a positive destination has increased in Falkirk from 84.3% to 91.1% and the gap between Falkirk and Scotland has almost disappeared.

## 2. Challenges and opportunities

The context for this strategy indicates a number of challenges and opportunities. This section expands on some of the most pressing amongst these.

### ***Opportunities:***

#### **A. Attracting Investment and jobs**

Falkirk's location provides it with many clear advantages however it has strong local competitors for investment and jobs, lying equidistant between Scotland's two largest cities. With Edinburgh's strengths in finance and tourism and Glasgow's strengths in retail and manufacturing, Falkirk has focussed on areas where it performs more strongly.

Some of Falkirk's key strengths are in the chemical sector, manufacturing, and logistics. Evidenced by the strong sectoral presence in each of these and the contribution to local and national value that these make, a two pronged approach to growing our economy is required. This focuses on the area's strengths and fostering new capacity for a skilled workforce to deploy its talents and for young people to secure a career.

Our strength in petrochemicals needs reinforced through innovation and co-location, attracting smart, greener technologies and in building complimentary business in renewables, sustainability and supporting services. With a cluster of knowledge, suppliers, skilled labour and training and an upgraded infrastructure, there is an opportunity in Grangemouth to create a new, profitable and sustainable industrial centre of excellence providing jobs and growth whilst augmenting the capacity of the existing petrochemical sector.

Meanwhile we need to diversify our economy, building new sectors in tourism, finance and business services. Building on the success of Helix Park, the Kelpies and numerous growing attractions, there is an opportunity to cement tourism as a vital part of Falkirk's economy. The formation of new business ventures, such as the Falkirk Business Hub and Earlsgate Park, give exemplars of the modern infrastructure we need to attract new service sector employment and contemporary modes of working.

We must also recognise the potential of growing sectors in education, health and social care where changing demographics will provide a new range of economic opportunities.

Crucially, our work must result in attracting investment and jobs to the area. We must work with our partners across the public and private sectors to ensure that the opportunities our area presents are put to the forefront of investors' attention and that our response to their enquiries is matched with a clear commitment to deliver.

### ***Case Study: Ineos***

INEOS is a globally recognised company and a key player in the UK's Chemical Sciences sector. Falkirk must leverage that recognition. The completion of the largest ethane tank in Europe, the construction of a new headquarters building and the commitment to renewing their site will form an important part of investment plans for Grangemouth. Working with Petroineos, (established in partnership with Petrochina) investment from INEOS in the coming years will reach over £500m. INEOS, plan further development at their site and aim to re-define the Grangemouth Industrial Complex as a centre for co-location and as one of the prime chemicals clusters for the UK. The Council, Scottish Enterprise and Scottish Government aim to work closely with Ineos to help realise the potential of this facility and deliver an investment prospectus to enable this location to compete with its competitors across the globe.

### **B. A greener, smarter, more sustainable Falkirk**

The Scottish and UK Governments have set ambitious targets for carbon reduction, urging a shift to renewable energy supplies, more sustainable forms of transport, promoting a circular economy and improving the quality of our environment. A greener economy for Falkirk presents many opportunities in:

- Development of sustainable business and energy efficiency processes
- Promotion of new renewable energy infrastructure generation capacity and supply
- Development of more sustainable forms of transport, through the promotion of a low carbon logistics hub, hybrid and electric vehicles and increased modal shift
- Development of a circular economy - reusing valuable resources, channelling these back into the economy through new products.

Application of new smart technologies to monitor environmental performance, improve efficiency of industrial process and increase the safety and security of business and residential areas will also be pursued.

### ***Case Study: Waste Sector***

Falkirk is at the forefront of work to increase recycling and promote a more circular economy. The European Waste Framework Directive, Scotland's Zero Waste Plan (2010) and Waste (Scotland) Regulations 2012, places obligations on us to change practices and find new ways to operate such as inhibiting the transfer of waste to landfill. We are embracing this through our Zero Waste Strategy (2012-2022). The strategy urges a reduction in the amount of waste produced, improving the waste collection, creation of resource management infrastructure and management of non-recyclable waste. The Zero Waste Strategy forms the backbone of Falkirk Council's approach to this sector and its principles are reflected in the commitment to creation of a circular economy in Falkirk.

### **C. Making Falkirk a premier tourism destination**

The perception of Falkirk as a tourist destination has changed significantly over the last 15 years. Our prime tourism attractions have played a significant role in establishing Falkirk as an integral part of Scotland's tourism business. The area boasts a mix of attractions spread throughout the area which has resulted in a strong tourism presence across the region. This has also developed a broad range of attractions which are situated not only in Falkirk itself but across most towns in the area and in rural locations – this mix of attractions provides a diverse tourism proposition with something for everyone:

- the Falkirk Wheel
- Helix Park and the Kelpies
- Callendar House
- Bo'ness & Kinneil Railway
- Bo'ness Hippodrome

We have secured the emergence of a Falkirk as a location which can sustain increased visitors numbers and extended visitor stays.

Significant progress has been made through brand-building activities including music events and festivals such as Rock the Stadium, inclusion in international VisitScotland campaigns and promotion of the Falkirk area at trade events including VisitScotland Expo. The delivery of the recent Visitfalkirk Tourism Strategy was complemented by the launch of our website, [www.visitfalkirk.com](http://www.visitfalkirk.com) which builds on the existing credentials of the Visitfalkirk and VisitScotland brand to showcase the attractions of the Falkirk area.

## **D. International opportunity**

The rate of change in Scotland's workplaces has increased significantly over the last 20 years. New technologies have altered the way that people interact and conduct their work creating a raft of new job types. These technologies have brought our global competitors closer, presenting risks and challenges in cost, service and innovation.

We need to ensure that we provide the infrastructure for our businesses to compete in this global marketplace. We must ensure that world-class digital connectivity is available and reliable throughout the area and that our physical infrastructure can enable the international flow of goods and services.

Our young people need to be prepared to deal with international clients and suppliers and be comfortable with foreign languages and customs. Crucially, our businesses need to be able to take the steps to look beyond our local borders to grow their markets and supply chains in order to keep pace with global competitors.

### **Case Study: Accessing international markets – Scottish Fine Soaps**

The story of Scottish Fine Soaps international expansion gives a great example of the potential for Scottish businesses, the support available and the benefits of a desire to explore global opportunities.

Scottish Fine Soaps, founded in 1974 and based in Carronshore, combines a solid family business with a history of innovation and improvement. The company have been exporting for many years and you can find their products in 20 countries. Recently, however an opportunity came to explore an exciting new avenue to reach a growing market for luxury goods. As a result of links with China developed by the Council and Scottish Development International, the company is selling to a growing Chinese consumer market. Demand was sudden and continues to grow. Scottish Fine Soaps' Chinese retailer now features these Falkirk products in around 50 of their 'offline' showrooms with plans to expand this and to carry new lines of products being developed here in Scotland.

### ***Challenges:***

#### **Financial pressures**

Many organisations are facing financial pressures at this time. Pressures on public sector budgets, including those of the Council will require that we enable the delivery of our

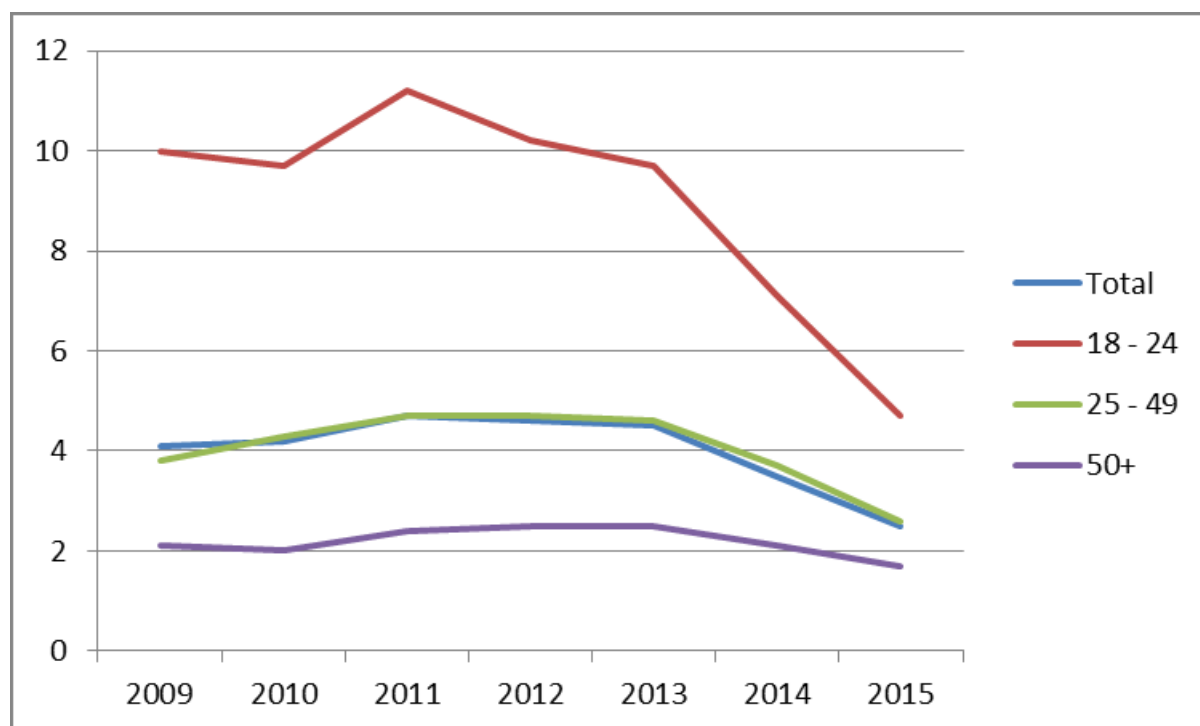
economic ambitions in new and innovative ways and in doing so, change how we operate. We must investigate more efficient means of service delivery, providing services at lower cost, adopting innovative service channels and engaging new partners. The role of the private sector in delivery of our objectives will prove vital. Initiatives such as the Falkirk Economic Partnership, Falkirk BID and the recently formed Tourism Partnership, which engage business actively in delivering support for economic development are of critical importance and provide a template for public-private partnership which will be essential to sustaining valued services.

### The employment gap

Demographic pressures will increase the demand for care services and particular community services such as the anticipated increase in demand for new school places across the Falkirk area. Similarly, in order to address an increase in the competition for jobs available to our young people entering employment, we need to increase our engagement with employers and boost the level of apprenticeships and training schemes being offered.

This approach will need to be replicated across the broader range of services as we work with private, public and third sector organisations to fill the gaps in service provision that budget reductions may cause. Significant work has been carried out over the last ten years to address the youth unemployment gap, leading to real progress for young people.

#### Percentage Unemployment (JSA Claimants) March 2009 – March 2015





We do still have a level of youth unemployment above the national average and a significant gap skewed against young men under 24. Solutions require targeted assistance to ensure that men aged 16-24 are not falling out of the labour market at a crucial point in their development and training.

The issue reverses when we address self-employment and earnings. Wages for women are lower by around 30% and the number of self employed women around half the number of self-employed men.

Disabled people also face significant challenges in accessing the workplace. Across the UK only half of disabled people are in work and disabled people face multiple constraints in accessing and sustaining employment.

### 3. Falkirk 2025 – Purpose of the Economic Strategy

Falkirk is being transformed, from the opening of the Falkirk Wheel and the renewal of the area's secondary school stock to the conception and delivery of Helix Park and the Kelpies all demonstrate the area's commitment to change.

This strategy assesses our progress, identifies challenges and opportunities and aims to apply the lessons we have learned to take account of a changing landscape, recent developments within Falkirk and in the wider global economy.

The purpose of this Strategy is to:

- Plan for sustainable economic growth
- Identify how to maximise Falkirk's economic potential
- Leverage the area's comparative advantage in particular industries and sectors
- Set out plans to broaden and diversify Falkirk's industrial base
- Identify new sectors and opportunities for growth
- Promote innovation and the application of new technologies
- Highlight the area's potential and means to attract investment
- Stimulate further development in the skills and experience of Falkirk's people to enhance our ready, highly-skilled workforce.
- Help create opportunities for all
- Identify our priorities for action

We have had regard to national policy development, including:

- Scotland's Economic Strategy
- EU Structural Funds Operational Programme 2014-20
- Tourism Scotland 2020
- The Routemap for Renewable Energy in Scotland
- Skills for Scotland: Accelerating the Recovery and Increasing Sustainable Economic Growth

We have also drawn on existing policies of the Council and the Community Planning Partnership. As such, this strategy should be viewed in conjunction with the

- Falkirk Strategic Community Plan and Single Outcome Agreement
- Local Development Plan
- Falkirk TIF Business Case 2013
- Visitfalkirk Tourism Strategy
- Employability Action Plan

This strategy forms the economic arm of the Falkirk Strategic Community Plan and its actions contribute towards the achievements of outcomes for the Strategic Outcomes and Local Delivery plan.

### ***Consultation and engagement***

To inform this strategy we have engaged a wide range of stakeholders across the Council, public sector bodies and the wider business community via Falkirk Business Panel. The external consultation process has been broad and involved a varied range of interests including:

The Falkirk Business Panel and wider business community have contributed through events such as the Annual Conference, Falkirk Business Day, Business Update event and Business Breakfasts.

There has been a continued process of direct engagement with local businesses to continually update our understanding of their needs and requirements. A central part of this is the support of Business Gateway and their advisors – who meet with businesses daily and are well-placed to understand the local economy and business needs.

Falkirk Economic Partnership has acted as a steering group for the Strategy process bringing together Scottish Government, Scottish Enterprise, Forth Valley College, Scottish Canals and a number of private sector decision makers. This has ensured that the key strategic direction of the local and national economy is reflected and supported in our approach.

We have reached out to external economic development stakeholders such as Scottish Enterprise, Scottish Development International, Chemical Sciences Scotland, VisitScotland, the Scottish Council for Development and Industry and Department for Work and Pensions through a series of workshops to progress our ideas with the knowledge and experience of other public sector support organisations identify and tackle shortcomings and target areas for improvement.

Throughout the process, comments and responses from across the community have been invited and in order to open up the consultation as widely as possible, the draft strategy was made available on the Falkirk Council website for 4 weeks with a survey and call to respond. This survey was well subscribed and the comments are embedded into the document, strengthening, amongst other areas, the approach towards tourism, town centre regeneration and skills development.

Comment and response has been invited in developing this strategy and we will maintain a dynamic process with opportunities for dialogue and discussion about Falkirk's economic future being maintained as we progress.

## **4. Our Vision**

We aspire that Falkirk is the place to be; a smarter, greener and more inclusive place, where opportunities for work, quality of life, leisure and the excellence of the living spaces offer the ideal location for people, business and communities to thrive:

To achieve this we aim to achieve the following:

### **A Growing economy:**

Falkirk will be a prime location in Scotland for innovation where clusters of likeminded businesses, a skilled workforce and a supportive, focussed education system, draws on innovation from across the world to develop the fields of chemical sciences, new energy, smart technology, manufacturing and sustainable development.

### **An economy attractive to investors:**

Falkirk will present excellent opportunities for investment with an infrastructure and support available to enable ready access to sites, premises and finance for development and a skilled, flexible workforce attuned to the demands of a competitive global economy.

Falkirk will be recognised as the gateway to Scotland; a national logistics hub with a busy port with networks distributing goods throughout the country and exporting across the world by road, rail, sea and air.

Falkirk's economy will be smart, sustainable, a base for innovation, education and training to meet ever changing demands of the global economy.

### **An inclusive economy:**

Falkirk will be recognised for enabling opportunities for all in communities that are smart, sustainable and take full advantage of opportunity.

**In short, Falkirk as a place where people and business want to be; where they can thrive, knowing that the area offers opportunities for all.**

## Key Priorities

Our priorities encompass the challenges and opportunities set out above. By tackling these we aim to:

- **Grow** the Falkirk economy, boosting business formation and growth, fostering innovation, ensuring a skilled workforce and delivering skilled high value jobs
- **Attract Investment** – to enhance the area’s infrastructure, attract business and realise in full the area’s economic potential.  
We will promote the **Grangemouth Investment Zone** as a key focus of our actions
- **Include** all in our communities to help access opportunities and make a full contribution to the area’s economy.

## 5. Priority One – Growing Falkirk’s economy

We want to **grow** the Falkirk economy, boosting business formation and growth, fostering innovation, ensuring a skilled workforce and delivering skilled high value jobs

### **Business Support:**

Business Gateway offers interventions to assist business to start up and grow. It works closely with Scottish Enterprise, other enterprise agencies and Council services including procurement, planning, food safety and building control to enable a one-stop service for business growth. This approach has allowed development projects to proceed more quickly and give faster resolution to any obstacles encountered. With Council and EU assistance the Business Gateway offers rounded and flexible support to meet business needs. We will

- sustain an integrated Business Gateway service helping local businesses to grow, developing a business support function that is responsive, supportive and experienced.
- work with business to find opportunities to diversify products and services through better marketing of existing offerings; increasing market reach through developing an online presence; developing new markets through improved promotion and branding.
- ensure that sites and premises are available and affordable to extend operations to take on premises for the first time or attract new investment.
- continue to offer a varied programme of enterprise workshops providing knowledge and skills for business to start-up and grow
- build upon existing relationships with training providers such as Forth Valley College to make sure that the right options are available to develop staff and train people to compete in the labour market and meet emerging business needs.
- align our business support offering with support for training to help our residents make the transition from education to work for the first time or back into work.
- leverage the support of national partners such as Scottish Development International and UK Trade and Investment to ensure that our businesses are receiving the support to confidently approach new markets and export their products and services.
- assist businesses to access funding for growth from banks and institutions, regional, national and European sources (including the Scotland Investment Fund, Regional Selective Assistance and targeted sector-specific Government programmes such as the Food Producers Grant Scheme).

## **Build a stronger business community**

One of the real successes of My Future's in Falkirk has been the development of a strong business community in the Falkirk area. Through the Falkirk Business Panel, communications, networking opportunities and major events such as the Falkirk Business Day and the Business Falkirk Annual Conference have taken place. On-going engagement has identified a need for more sector-specific and focussed events and, following a successful pilot, we have added these to the programme of events. We must continue to deliver a responsive service to the business community identifying areas of need and opportunity, targeting support where it can have the greatest impact.

We need to help business to identify the opportunities and value available from building supply chains involving local partners and take full opportunity of the public sector tender opportunities available. Falkirk Council is approaching this support in conjunction with Stirling and Clackmannanshire Councils to ensure best level of support possible to local businesses through accessing support from Public Contracts Scotland, the Supplier Development Programme, Scotland Excel and the Council's own procurement clinics.

It is essential that the business support service reflects the needs of the business community and we aim to enhance our responsiveness to changing requirements in traditional sectors and emerging opportunities in sectors such as tourism, the environment, social care or health. By adopting modern technology and social media platforms we aim to increase awareness of activities and enhance relevance of the business support programme.

## **Land and buildings for Growth**

The provision of appropriate, high quality accommodation is essential to supporting the development of the local economy but also as a key attractor to inward investment.

Across Falkirk, the Council owns and operates industrial, commercial and office accommodation to facilitate access for local businesses. We maintain an extensive property portfolio accommodating almost 500 businesses. Through our Portfolio Management Plan we aim to extend our range of business properties and attract new businesses. We will:

- help sustain a range of premises to meet business demand through our Portfolio Management Plan and by working with private sector partners, Scottish Enterprise and others to sustain provision, well-suited to market need
- Pursue the formation of new development opportunities and assist private sector property investors
- monitor market requirements and apply this intelligence towards facilitating new provision



## **Town Centres**

We aim to rejuvenate our town centres, ensuring they are more attractive and resilient in the face of the challenge from online retailing and out-of-town retail locations. A new town centre strategy is being prepared and this strategy seeks to improve the fortunes of our town centres through the attraction of investment in retail, commercial and related sectors. The opportunities for residential development to enhance the development mix and increase the resident population of town centres will be explored. We will:

- implement our Town Centre regeneration strategy, seeking to attract investment and increase retail footfall in our centres.
- work with Falkirk Delivers, the Falkirk BID to promote the fortunes of Falkirk town centre.
- promote Shop Local initiatives in each district centre
- continue delivery of the Falkirk THI, upgrading the historic core of the town centre
- promote a scheme for the upgrade of the public realm in the town centre
- complete the regeneration of Denny town centre and offer continuing support to town centres across the area.

### ***Denny Town Centre case study***

*Denny town centre has suffered from under investment, poor design and a town centre ill-suited to modern retailing. Following extensive consultation with the local community and businesses the Council has initiated a comprehensive regeneration scheme with the first phase delivering replacement shop units, a community library a new town square and upgraded public realm. Additional phases will see a new foodstore and related development with the aim of restoring vibrancy and civic purpose to the town centre.*

## **Foster a culture of innovation**

Levels of innovation in competitor markets are such that in order to compete Falkirk businesses have to innovate through their process, products and services. Our aspiration, one shared with local businesses, communities and through our education system is to put innovation at the centre of how we organise our activities.

Scotland has a strong history of innovation and Falkirk has been pivotal in this, dating back to the beginning of the industrial revolution. A mind shift is required to once again value

the investment in research and development as an essential business process rather than a luxury or a contingency strategy.

We need to foster a culture of innovation through education into training and the workplace, finding ways to operate more efficiently, increase productivity and find ways to use our resources more effectively. We need to help organisations access the research and support available through Scottish Enterprise and other bodies to embed innovation into everyday operation and future investment. We have to promote the use of smart technologies, embedding these in business operations or infrastructure provision to enhance sustainability and resilience.

The factors and unique selling points that draw people to Scotland and Scottish products need to be leveraged to create new and engaging products.

Businesses need assistance to review how they approach innovation. Along with our public sector partners we will instigate fora and networks to connect universities, college and other centres of research to the machinery of business to ensure that the ideas and research generated are being converted into viable opportunities.

## **A Skilled Workforce**

We will apply the Falkirk Skills Pipeline model, helping people to progress into training and employment and helping business to meet their skill requirements.

Our business support work, education, employment and training must create a seamless pathway from education to employment. We will enhance the engagement of the education sector in helping to meet the growth ambitions of local companies through the creation of a skilled and motivated workforce.

In Falkirk we have one of the most successful and innovative FE colleges in the UK, in Forth Valley College. The College has 1500 apprentices, 650 are within engineering and the highest number of skilled engineering apprentices in the country. Its focus on meeting the needs of industry, particularly those in the Grangemouth chemicals cluster is a key ingredient for success. The construction between 2017 and 2019 of a new £70m college campus at Middlefield on the Falkirk Gateway site must be recognised as an opportunity to reinvigorate our approach to the delivery of skills suited to the needs of business, increasing our capacity to innovate and compete

We will ensure that the Council, College, business and other partners work closely together to increase understanding of future skill demands and ensure these are met, taking advantage of the creation of the new College Campus development to increase the

motivation and engagement of young people, boosting their skills and helping them to access jobs.

The Council, College, Skills Development Scotland and local employers have been very successful in improving the positive destinations of school leavers from across our education system. Nevertheless there remains a disparity in the numbers of students progressing to further and higher education from Falkirk relative to the national averages. We need to engender a change in attitudes to support our young people to be able to benefit from all of the post-education options available, vocational training, further education or otherwise.

### **Internationalisation**

In today's globalised world, there are opportunities to look outwards to new markets. Falkirk has led the way in international trade in the past and it is now both easier and more important than ever before to find partners, customers and suppliers all over the world. Our central location and multi-modal capacities give our area a genuine edge.

Access to world-class digital connectivity and transport infrastructure helps tackle global challenges and a key aim is to ensure that Falkirk retains these infrastructure strengths and can be future-proofed against the changes of a digital age.

Internationally, customers have a keen interest in the Scottish Brand and the values that it carries. We need to help businesses realise what they have to offer in global markets and redouble our efforts working with Scottish Development International and to ensure that the opportunity of opening up new markets is made available to Falkirk companies across sectors and industries. We must assist our chemicals sectors companies to realise their ambition to grow their exports by 50% by 2020.

We recognise the opportunities in creating strong partnerships with rapidly growing countries such as China and India however we must consider partnerships closer to home across the UK, the Republic of Ireland and the rest of the European Union, particularly our twinning partners in France and Germany.

### **Developing our Tourism offer**

We are firmly in the tourism business and need to develop the offer we have available to our visitors. The Falkirk Tourism Strategy sets out what the area aims to achieve over the next 5 years and has set 3 overarching targets:

- To increase visitor expenditure in the Falkirk area by 20% over the next five years to 2020.
- To increase overnight visitor accommodation (serviced bedrooms and self-catering units, including camping and caravanning provision) in the Falkirk area by 20% over the next five years to 2020.
- To develop a Falkirk Tourism Partnership to take ownership of, to review and to implement the strategy – this Partnership is now in place.

The tourism work will be delivered through three Strategic Priorities:

- Targeting key markets
- Providing enjoyable and marketable experiences
- Improving the customer journey

The full version of the Tourism Strategy is available on the Falkirk Council website and at: [www.visitfalkirk.com](http://www.visitfalkirk.com). We will work to deliver the tourism strategy and align its activities with the wider ambitions for the Falkirk economy.

## 6. Priority Two – Investment

We want to **Attract Investment** – to enhance the area’s infrastructure, attract business and realise in full the area’s economic potential. We will promote the **Grangemouth Investment Zone** as a key focus of our actions

Our transformation must be sustained through the attraction of further investment. In order to make the best use of the resources we have – we must invest across the following:

- Invest in physical infrastructure
- Invest in water management
- Invest in digital
- Invest in energy
- Invest in placemaking

### ***Physical Infrastructure***

In 2013 Falkirk Council led the creation of a significant and highly innovative investment programme involving the use of the Scottish Government’s Tax Incremental Finance (TIF) Scheme. This has secured £67m to invest in infrastructure for growth however this is only the lever with which to deliver investment. The money is being used to create the conditions to induce over £500m of private sector investment and help create 5,000 jobs. Over the 30 sites identified across the area, finance is available to improve access, prepare sites, bring utilities and overcome barriers to investment.

The work of this programme has started with development of junctions to ease the flow of traffic from Grangemouth port to the existing logistics and transport centres. The work will continue with developments including the opening of new employment land sites with direct access to the M9 and the investment, with partners, of c£30m to improve road links between the M9 and the M8, strengthening Falkirk’s existing position at the centre of Scotland’s transport networks. Related footpath and cycleway infrastructure improvements must also be supported.

### ***Water management***

Managing flood risks and realising the potential of our canal infrastructure offers significant potential for investment in Falkirk. Work is underway to design flood defences for the Grangemouth area with funding assistance available via the TIF. Scottish Canals aim to secure the regeneration potential of the canal network and to exploit new technology and practice in sustainable water management, integrating this with other canal-related development.

### ***Investment in digital***

We have a compelling case for superfast, high bandwidth connectivity, ranging from high value manufacturing, logistics and health care to the tourism and creative sectors. However the real benefit from investing now in our digital connectivity infrastructure is in ensuring that Falkirk does not lag behind its competitors.

As more services move online, the need to respond via electronic means is a pre-requisite rather than an optional extra. The transfer of data across all areas of society is shifting online and the future requirements are not solely around speed of access but the provision of sufficient bandwidth, software and dissemination tools to transfer significant amounts of information reliably and safely at any time of the day and without incurring great expense.

Our regulatory environment must embrace these changes and we must invest in making digital connectivity a utility, a basic service within our public buildings, town centres, schools, businesses and housing.

### ***Investment in energy***

As with every other area of Scotland, we find ourselves on the cusp of a major energy transition. The way we have produced and consumed energy over the last 100 years is unlikely to prevail through the rest of this century. Due to climate change, scarcity of supply and rising costs, there will be an increasing imperative to find alternative methods of powering our towns and cities.

Falkirk is perfectly placed to deploy the skilled and experienced workforce that has developed around the Grangemouth industrial complex, to use the existing available industrial sites and to leverage the supportive regulatory framework and business support network to create a hub for sustainable and renewable energy

We want to make Falkirk a prime location for sustainability and innovation in energy. We will invest in creating the conditions for innovative business to locate here; we will ensure that the regulatory environment is welcoming to prospective companies while safeguarding

the interests of the environment and our communities. We will work with our local communities, engaging them in development prospects for energy, and ensure that they benefit from the opportunities that can be delivered.

We need to invest now in a sustainable future which looks to build up on the strength of existing industry and enable development of greener, innovative technologies. By finding ways to reduce the costs of processes to allow for greater reinvestment, using less natural resources whether through direct inputs or through energy usage, we can contribute to delivering a more sustainable economy.

We will enable Falkirk's transition to a low carbon, energy efficient economy and lead Scotland in developing sustainable ways to power our communities and business, to heat our homes and schools and to grow our economy

### ***Investment in our places***

We are committed to transforming our area's economic fortunes and to progress our placemaking to the highest standards. In the first year after opening, Helix Park and the Kelpies welcomed over 1 million visitors to the award winning urban park. This site was a key success of the previous strategy, an example of how ambitious ideas can capture the imagination of people from all over the world and significantly change the perception of an area.

We intend to build upon the momentum that these projects have delivered. We must continue to invest in Falkirk's physical fabric, invest in the spaces where people live their lives to make them pleasant and welcoming, invest in a place that draws and welcomes visitors, promotes a lower carbon, more sustainable future and demonstrates to them the ambition and qualities of the area and its people.

## ***Grangemouth - Investment Zone of National Significance***

### **The current position**

At Grangemouth we aim to progress an Investment Zone of National Significance. Recognised in national planning terms for its strengths in chemicals, manufacturing and logistics, Grangemouth Investment Zone offers a unique set of opportunities:

- to grow Scotland's chemicals sector
- to create new centres of excellence in industrial bio-technology and energy
- to apply smart technology to assist business processes, enhance infrastructure and sustain resilience
- to promote lower carbon business processes
- to diversify into new business sectors, broadening the area's industrial base and taking advantage of new found tourism potential
- to build on the commitment of the existing business base to expand, enable co-location and develop closer integration

The chemical sector in Scotland has its primary base in the Grangemouth Industrial complex; over a thousand acres of land are dedicated to chemical facilities which include, bulk and specialist production, research and development, innovation and management.

The port of Grangemouth is also located within the Grangemouth industrial complex. The country's largest port handles over 150,000 containers per year and more than 250,000 tonnes of general cargo.

### **The opportunities**

Grangemouth can remain the centre of the chemicals industry in Scotland and this current strength can be leveraged to provide other opportunities. We want to see Grangemouth become the prime location for sustainable, renewable technology. Business, partners, a skilled workforce and the support networks are already in place and as Scotland and the UK moves towards a lower carbon future. This unique industrial opportunity can build upon the area's existing manufacturing and innovation.

There is a greater strategic role that Grangemouth can play. Over £6billion of goods passes through the Port of Grangemouth each year. A proposal for enhanced freight facilities is supported by national development status and Falkirk/Grangemouth can become a national freight and logistics hub.



We will promote more sustainable forms of transport and modal shift. Distribution by rail is an area where we want to improve uptake, reducing the levels of traffic on roads and providing a lower carbon option for the movement of goods. There is also an opportunity to grow the volume and scale of the traffic through Grangemouth Port with investment in the scale and facilities of the Port – this would allow the Port to compete for a greater level of business and reduce costs of importing and exporting goods for Scotland.

There are already a number of key logistics companies and retail distribution centres but the investment plan supported by the Tax Incremental Finance project is bringing over £67m of infrastructure investment to the area. Working with existing businesses, a plan has been developed to increase the capacity of the transport infrastructure, improve journey times and increase journey reliability.

Key developments include opening of new sites with direct access to the M9 and a £30m project to develop connectivity between the M8 and the M9, reduce journey times and improve access to the Central Belt and the South.

The Grangemouth Investment Zone currently has multi modal access with road, rail and sea connections and is less than 20 minutes' drive from Edinburgh airport – often quicker than travelling to Edinburgh city centre. We need to promote the area with this message that Falkirk is the best connected place in Scotland to locate your business.

### **How we can work together**

We want to designate Falkirk as the location for innovation in chemicals and new energy. The building blocks exist already in its skilled workforce, the infrastructure and the training facilities.

We will assist industry and academia to grow on-site training facilities within the industrial complex to ensure that the level of training is world-class.

We will join with our European partners to promote the area through official programmes and provide the facilities and opportunities to ensure that a site location decision in chemicals or energy has to consider Grangemouth as a serious option.

### **Grangemouth Energy Project**

Integral to the Investment Zone is the development of the Grangemouth energy project. This builds on the requirement to renew the area's energy generation capacity and is examining the opportunities to share heat and power across local distribution networks in the area. The introduction of new models for renewable power generation and supply

along with new mechanisms for finance and distribution offers the potential make this one of the most prominent and innovative energy locations in Scotland.

### **Falkirk Gateway**

We will promote the Falkirk Gateway as a new centre of low carbon futures for the area. This exciting 'place-making' initiative will build on the success of ventures such as the Helix, the Falkirk Community Stadium and the proposals for the development of the new Forth Valley College Campus. With the supporting investment of the Falkirk TIF initiative it will provide a vital core of enhanced logistics capacity, with a new, integrated infrastructure exploiting the potential of water, energy and digital networks to attract investment in new business technologies and sectors.

The Gateway scheme will progress in a phased programme of delivery, engaging a wide range of partners. Its central themes will be to create new commercial zones for a low-carbon, more sustainable future, enabling new development to take advantage of the site's location, visitor attraction, water and landscape features, green energy supplies and application of smart technologies.

### **Chemicals Sciences and development of Industrial Biotechnology innovation cluster**

Grangemouth has a nationally significant chemicals cluster with internationally recognised companies. We aim to build on the acknowledged strengths of the chemicals sector in Grangemouth. We will assist in developing the manufacturing of high-value chemical products which promote low carbon solutions using less water, less energy, more renewable raw materials and reduce waste. Working with national bodies such as Chemicals Sciences Scotland and IndBioC (the national Innovation Centre for industrial biotechnology), we will aid the development of new industrial biotechnologies and biofuels to assist the growth of our chemicals and energy sectors.

### ***Building Smart Resilience: Internet of Things***

Realising the investment potential at Grangemouth demands smart solutions in resilience to maintain environmental quality and sustain the protection of the wider community. We will progress new measures to sustain the area's capacity for resilience. This includes working with CENSIS, the national Innovation Centre for sensors and other businesses in the development of a sensor shield for Grangemouth utilising the 'internet of things' to support environmental monitoring and enhance protection of the community.

## 7. Priority Three – Inclusion

We want to ***include*** all in our communities to help access opportunities and make a full contribution to the area's economy.

Developing the fortunes of the area's economy is an essential underpinning in tackling social exclusion. Without jobs and investment, it is impossible to address one of the key underlying causes of social exclusion - poverty.

**To achieve inclusion is to support all residents in our communities to be able to participate fully in the economic life of the area.**

As with social mobility, poverty is a root cause of exclusion. The work to address this therefore must start as early as possible, through education. We need to ensure that our young people are supported in their aspirations and given the tools and opportunities to achieve them. Falkirk has undertaken a process of renewal of its secondary schools stock, completing its programme of renovation in 2009. Our commitment to ensuring that educational facilities remain of the highest standards must be a key plank in any inclusion strategy.

Falkirk's labour market has strengthened significantly in recent years as evidenced by the falling headline unemployment rates which have returned to pre-recession levels. However, longstanding structural issues still prevent Falkirk residents from progressing to employment. These include multiple barriers such as disability, gender, low skills, health conditions etc. Progression to employment overcoming these barriers can sometimes be characterised by low pay and insecurity leading to under employment and in-work poverty.

Falkirk Council's vision is that work should improve people's lives and this means moving away from low pay and low skill models to an economy based upon skilled, higher wage jobs that will support resident's aspirations, tackle inequality and support employers to adopt the principles of Fair Work.

### ***Attainment***

It is noted above that the levels of school leavers taking up higher education remains lower than the national average. There is an opportunity here to grow this cohort; we must strive to make our young people equally prepared to take on vocational training, work or higher or further education.

We will continue to focus on supporting the prospects of our young people through education, employment and training. Links with Forth Valley College and other providers of higher and further education are vital. We will take a holistic approach to address the attainment gap and aim to bring the levels of students progressing to higher and further education in line with the Scottish average.

### ***Tackling barriers***

But our focus will not remain solely on our young people – many existing programmes are concentrated on alleviating the barriers to work for 18-24 year olds however, to achieve our vision we must ensure a consistent approach across all age groups. The challenges in access to employment vary across groups of age, gender and other characteristics. Only through a universal programme will we address unemployment as a root obstacle to inclusion. We must also work to prevent in-work poverty and address barriers to full participation in the workplace. We will work with employers locally to remove barriers to inclusion, improving prospects for employment and opportunities for disadvantaged groups.

### ***Promoting employability***

The key avenue to addressing these issues lies in strong partnership between several layers of the public sector, industry and community. Through our Local Employability Partnership partners including the Council, Skills Development Scotland, Job Centre Plus, DWP and others work closely together to ensure a coordinated approach. The level of apprenticeships in Falkirk has grown ten-fold over the last ten years as the result of a concerted approach to improving the ability of young people to enter the workplace and the outcomes for the employers who take them on. We will reinforce the strong linkages between local and Scottish Government and maintain a resilient Local Employability Partnership bringing the support and experience of industry specific sector skills councils to bear in terms of future skills development

The work in developing skills to support inclusion can be directly linked to efforts to promote growth and investment in this area. Developing a skilled workforce is a key plank to delivering the conditions for business growth and inward investment. The pipeline for skills must mirror the projected areas of growth and development in the economy to give residents the best possible chances of taking advantage of investment in growth sectors such as tourism, logistics and chemical sciences.

### ***Growing skills in the workforce***

An equally important strand to the three priority areas is the continuous development and of the existing workforce. The local employability partnership must be alert to on-going needs for development and sufficiently responsive to help deliver targeted interventions where necessary. However education does not limit its impact to the world of work. Schools and Colleges offer community hubs offering the tools to bolster literacy, numeracy or modern languages, technology and arts courses to enrich their own lives and those of their families.

### **Case Study: Employability Toolkit**

*The Employability Partnership has prepared a new toolkit to help businesses to find new staff to help their business grow. Research has shown a need for this type of support and the free guide takes new and first time employers through the various stages involved in employing staff and gives them the tools to do it successfully.*

*The guide covers best practice in recruitment procedures; the costs involved in recruiting and provide templates and forms to speed the process. Details at: [www.falkirk.gov.uk/employersupport](http://www.falkirk.gov.uk/employersupport)*

### **Social Enterprise**

We must look to many of our social enterprises to find new ways of approaching employment. There is a strong social enterprise culture in Falkirk but we want to develop this further. Social enterprise is required to bridge an important gap in our economy and can exploit opportunity in fields such as health and social care, tourism and the environment. Promoting social enterprise can be extremely beneficial for our communities as a way to provide services such as cafés or youth facilities that would not exist otherwise. We will work with social enterprises to foster their contribution to the area's economy.

### **Employing disabled people**

Inclusion is about providing a level of opportunity for all of our residents and targeted support to those who require it most. Employment for residents with learning disabilities or physical impairment can often be difficult to find. The recent success in the establishment of the Haven PTS factory and centre of excellence in training for people with disabilities has shown the full contribution that disabled people can make in the workplace. We aim to help sustain and growth the opportunities arising from Haven's establishment in the area. We will develop the skills pipeline of support for people with disabilities and work with employers to grow the job opportunities presented that disabled people can access.

### **Case Study: Haven PTS**

*Haven PTS, a supported business established a new £5m factory operation at Central Park in Larbert in 2014. The factory delivers three business operations, manufacturing of protective clothing, production of signage and document management. They employ 100 disabled people and have established a Centre of Excellence in training provision to enable disabled people to access the workplace.*

### ***Addressing poverty***

We want to create the conditions to develop enterprise that can deliver well-paid, sustainable jobs which recognise the importance of work-life balance and provide not just work but development opportunities for people. However the issue is not solved solely by access to employment.

We know that many people in work still experience poverty. Low wages are a specific concern, particularly for women and we will work with employers to encourage good employer practice seeking to enhance wages and conditions enabling people to avoid becoming trapped in a cycle of deprivation. In order to fully participate, there must be access to financial services and other instruments of the economy – we must advocate on behalf of our residents to ensure these services are available.

Fuel poverty is a particular focus and through the Grangemouth Energy Project we aim to develop a pilot scheme to address residential fuel poverty for development across the area.

At the heart of inclusion is the aim to tackle the enduring barriers to entry into the market that have impaired our communities and to create the conditions for each one of our residents to meet their full potential. The actions in this strategy will complement the actions of our partners in the fields of deprivation, health, education and culture to enable enhanced opportunities for all.

## 6. Delivering the Economic Strategy

Our strategy for Falkirk's economy and for the delivery of the Grangemouth Investment Zone is ambitious. As an outcome of this work we anticipate:

- a stronger, more resilient and diverse business base
- increased productivity, with our area making an increased contribution to Scotland's economy
- increased job creation in sectors and with skills that meet the needs of a globally competitive economy
- growth in new sectors with clusters of innovation and excellence
- increased innovation capacity and application of new, lower carbon technologies
- increased investment, particularly in the Grangemouth Investment Zone, contributing to the area's economic development
- development of the area's skills base
- town centres that are thriving and resilient to the challenges of online and out-of-town retailing
- enhanced skills levels amongst our workforce, well- attuned to the needs of business
- opportunities for all to benefit from the area's economic growth

By working in partnership we will establish an action programme to progress the activities proposed in this strategy, enabling contributions to be made by all partners. This will coincide with work to monitor our performance in helping to realise these intentions, reporting regularly on progress to partners, business and other stakeholders.

In order to reflect changing economic conditions, the Economic Strategy is being delivered as a dynamic document that will be updated regularly to take into account movements in the local economy and in the capacities of each partner to deliver.

A review will be carried out after 5 years to ensure that the Economic Strategy remains valid and relevant. It is expected however that a process of regular monitoring via the Council

and the Falkirk Economic Partnership takes place to ensure that the document remains up to date and reflective of the wider economic situation.

On-going monitoring will allow us to measure progress against stated aims. Taking each of the three priority areas in turn, the targets for each priority are summarised below:

a) Growth targets

- Increased number of growth and start-up business supported by Business Gateway
- Improved availability of premises and land for expansion and growth
- Links developed between education and business to introduce a culture of innovation
- Increased proportion of skilled workers in the workforce
- Increased proportion of local products being exported

b) Investment targets

- Completion of the TIF investment programme
- Delivery of investment for key projects
- Secure Grangemouth's place as a key centre for the Scottish economy
- Deliver an innovative energy project to reinvigorate Grangemouth and future-proof new developments including the Falkirk Gateway

c) Inclusion targets

- Increase positive destination figures for school leavers
- Increase numbers participating in higher education
- Increase the proportion of disabled residents in work
- Reduce the proportion of Falkirk residents experiencing in-work poverty

Setting the level and capacity for delivery against these targets will be contingent on identifying the financial and other resources available from the Council and its partners in the public, private and third sectors. This will include the need to take into account budget decisions to be made by the Council and its partners.



## ECONOMIC STRATEGY ON-LINE CONSULTATION RESPONSES RECEIVED

### Are there other aspects of Falkirk Council area's economy we should consider in this review?

- A section to include the Tourism Strategy.
- I feel a look at the Town Centre in the strategy. This would be to include residential.
- Diversification away from Petro-chemicals. Last year's spat with Ineos demonstrates an over-reliance on one company and sector and serious consequences should it fail. Technology development, particularly around IoT would be advisable.
- Camelon, Bainsford, Slamannan
- Forth Valley College is one of the most successful and innovative FE colleges in the UK. The construction in 2015/16 of a new £80m college campus at Middlefield on the Falkirk Gateway site must be recognised as an opportunity to reinvigorate our approach to the delivery of skills suited to the needs of business, increasing our capacity to innovate and compete. The construction will begin in 2017 with a completion in 2019 and it is a £70 million College Campus. I also believe, under skills and qualifications, the College has 1500 apprentices, 650 are within Engineering and the highest number of skilled engineers in the country. happy to provide information on MA's - there's a story to be told."
- Social enterprise and the social economy development in light of the findings of the Social Enterprise Census 2015
- Tendering processes should not be a closed shop. Departments like education and social work should have a more transparent way for new business to tender to keep costs down. The rules for companies to meet to be allowed to tender should be displayed on official websites not hidden away.
- How to support vulnerable groups to contribute to their own and the communities economy How to support local businesses, particularly food sovereignty and local production of goods and services How Falkirk can be self-sustaining economically and not reliant on things that may be detrimental to the environment e.g. Fracking
- Tourism is recognised as an area of economic growth in recent years but stronger emphasis could be placed on the role that tourism and the wider visitor economy can play in the overall economic development of Falkirk going forward.
- no
- None
- Business rates
- You mentioned poor productivity... Have you considered the application of improvement techniques like Total Productive Maintenance for company-wide improvements as well as equipment performance and Reliability Centred Maintenance for critical equipment and new product (equipment) development. Then we have Lean manufacturing/Lean Thinking for reducing ""waste"" by doing work that customers value and reducing/cutting out the stuff that is not needed. Then we could look at 6 Sigma for more complex problem resolution. Each of the above has the potential to save huge amounts and, consequently, increase profitability by increasing the skills in the company. BUT - they are not simple tools. They require real commitment and a drive to a culture of continuous improvement."
- As spoke of in the strategy report. I believe the Falkirk Council should be doing much much more to exploit its geographic position within the central hub of Scotland. Scotland today is crying out for a new motorway link between the M8 & M9 through the central belt. The benefits of this new road link to both economy of Falkirk and the rest of the central region would be immense. Long term this project is most definitely achievable.
- As someone who lives in the Braes area it feels like Falkirk Council put all of the focus on the main town centres without addressing the problems this causes in other areas. With no direct bus route to Grangemouth, a growing population and continued problems with unemployment I would like to see even a small amount of money go towards supporting businesses and creating new business zones in places like the like Maddiston and other outlying Falkirk areas.

- Council spending on frivolous edifices
  - Regarding building on Grangemouth industry. Impact of any addition industry in the area should take into account the effect of people living in the area which is one of the most neglected communities within Falkirk
  - Two newish tourist attractions in the Kelpies and The Wheel. Along with the vastly underused Callendar House and a new bus service connecting them all, yet we have a shambles of a town centre. Instead of building a new HQ get regenerating the town centre. "
- 

**Are there other challenges or opportunities you wish to highlight which will affect the Falkirk Council area's economy?**

- Continued funding issues in Education puts the economic plan at risk. You cannot address social inclusion, a lack of aspiration in young people and develop the skills required while cutting education provision.
- Youth Unemployment, Returning Falkirk's 25+ to the Labour Market to Help Falkirk Economy Grow"
- Skills Development and the two site approach of Forth Valley College with different concentrations at both campus. This has the potential to be remediated by the new build in Falkirk.
- The challenges and opportunities are best use of local resources, including the people of Falkirk
- 15 to 20 years ago people came to Falkirk, even from Edinburgh, to shop. We need to do more to encourage small businesses to set up and attract this sort of footfall. The cost of buses in Falkirk is ridiculous, Edinburgh manages this much better and people are able to move around more easily, which of course generates more income. It would also be better for tourism."
- The independent retail sector is now a vital ingredient in our town centre. However many are left to their own devices and are not receiving comprehensive specific assistance to grow into profitable businesses. More as the large store are not coming to Falkirk area as before. A detailed comprehensive plan of financial as well as help in kind would help many to thrive and grow.
- Not enough emphasis on the education standards in STEM subjects and written and spoken English. Number of subjects passed are worthless without the correct grades. Our schools are average at best. We need a flagship school to attract and retain the best. Most chemical science apprenticeships require a level of qualifications which our schools do not produce. See latest FVC intake. Most are from outside Falkirk area. The feedstock for the Oil refinery and chemicals used to be the N Sea and now it will progress to shale gas ethane from USA. We need to understand this and spawn new businesses in line with this
- You need to find out what skills the companies actually need. I suspect you will find the usual culture issues but problem solving and looking for better ways to do things are important - as they can be a key to innovation and (absolutely) to cutting costs. In improving the town centre, you might consider making it more accessible from a parking perspective - encouraging short stops as opposed to supermarkets and malls."
- I have lived in the Falkirk area for 40 years now. Over the years I have watch the rivalry develop between the Falkirk & Stirling Councils fighting for economic supremacy. Without doubt Falkirk today has easily won this challenge but you cannot allow your selves the luxury of taking your foot off the pedal. As stated in the report Falkirk have made good use of bringing in more tourism to the area but more can be done by being pro shopper minded much more can be done by easing parking costs in the town. Councils need to get it into their heads today's mobile shoppers and tourist will not venture far from their cars to attend venues or shop given the choice it not the shops name that brings in the customers it's how easy is it to park and get there. Sadly that is the way of life today so Falkirk should be taking note of this and leading the way in giving shopper what they require no cost easy parking. I appreciate the challenges the above comment brings to both town centre and the financial income to the council purse. But I believe more can be achieved by bringing in more customers and their financial benefits than in turning customers and retailers away to other more easily accessible venues out with the Falkirk district area.

- Poor public transport, few jobs in non-centralised areas."
- Spending by the council
- Greater emphasis on innovation in alternative energy and non-petrochemical manufacturing.
- Spending excessive money on a new HQ will be a challenge.
- An opportunity lies in better infrastructure connecting us to other parts of Scotland.

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#### **Are there other ambitions for the Falkirk Council area we should include in our vision?**

- The possibility of creating a Tourism BID and other town centre BID areas.
- Not to lose sight so of the vibrancy of the District around Falkirk.
- Yes, to be self-reliant i.e. for Falkirk to support local people to continue to the economy, for local production of goods and services required by the local community; food sovereignty as an example"
- Suggest that the spirit of the Vision from the Tourism Strategy is included i.e. ""To make Falkirk a destination of first choice for high quality, value for money and world-class attractions offering memorable customer experience, delivered by skilled and passionate people.
- I am sure there is but this is a draft
- Green energy is bourne from subsidies and will, therefore always be at risk from changing government policies. We need to address the research aspects of green energy and technologies. We need to pursue electrical commercial storage. Also: micro energy from trapped gas at Ineos Commercial gas powered electricity using ethane Ethane derivative products. Chinese own about 505 of the refinery. Use this as leverage for the development of the FVC student exchange and technology transfer. We need to encourage shale gas. all 4 or 5 technologies used the shale gas have been used in the N Sea for 20 - 40 years. This is not unconventional. we need to educate the public and defuse 'NIMBYism'. Falkirk needs to become the service centre for shale gas, it will not be Aberdeen, and other areas of UK will target this, especially N England Coalbed methane is the most benign form of gas production with NO fracking. Get after it, Enter the pharmaceutical, life science business. Educate your own staff as to the promotion of all the notes in this survey report. The largest energy show in Europe, second largest in the world was in Aberdeen last month. Falkirk should have attended and presented our ambitions.
- You need to talk in detail to the local companies and see what they need. Some companies will just not be able to export if their production and quality (reworks/scrap rates) are too high. This increases lead times and costs.
- I have already commented on long term national road projects you should champion and parking arrangements for the town. Re tourism to the area Falkirk should be doing more to bring in people/ tourist from both the Edinburgh and Glasgow districts. One way would to by promoting and selling the idea that Falkirk and district is the number one place in Scotland to both SHOP and see the sites. Thus making the area a world renowned shopping area you must go to see place whilst in Scotland. Nowhere in Scotland today is there a place with this distinction. Also if they are living in Edinburgh or Glasgow etc. and they want an amazing shopping adventure and maybe pick up a designer shop bargain Falkirk is the place to go. Where today is Falkirk's ambitions to have the number one Christmas market venue in Scotland. People in the UK today travel for miles and miles to shop in good a quality Christmas market. I myself have travelled to Prague many times just for the Christmas markets there. What a wonderful opportunity Falkirk is missing out on both in tourism and financial prosperity. Surely it would not be too hard for Falkirk planners to build up the above reputation over time but now is the time to plan for this to happen.
- Regenerate our town centre to go along with our wonderful attractions. To bring even more people into the County of Falkirk instead of Stirling, Livingston, Cumbernauld, Glasgow or Edinburgh. " N/A

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#### **Do you have any comments on priority one; Growing the Falkirk Council Area's Economy?**

- Include actions to address the shortage of affordable space for small businesses and the voluntary and community sector. Note the importance of Tourism. Note the importance of the Town Centres First Principle.

- The Town Centres section should include information on the Town Centre First Principles, and feature the district town centres separately. "
  - Already noted. MA's
  - The most forward looking. Councils will be those that make best use of local assets, including people
  - Whilst this section is not sector specific, there are strategic priorities and specific targets in the Tourism Strategy that could be incorporated at various points in this chapter to add value/strengthen the position e.g. 1) increasing visitor expenditure by 20% and 2) Promotion of Falkirk Council Business Gateway to provide support for tourism businesses
  - Diversity is important, any area that has allowed one company to be the major employer has found, to their cost, that it is not sustainable.
  - A comprehensive review of the town centres in the area, with regard to their purpose in the modern business climate. Looking at the mix of types of business and the uses to which they are put by the public. And to develop a strategy to encourage the types of Business that each area is either lacking or Needs.
  - See comments above. Better schooling, emphasise grades not quantity Focus schools on careers rather than exam passes Focus on STEM and English Expand FVC Replace coal power generation with ethane CCG Tourism: The Helix Kelpies and the Wheel have given us identity and a vision of change but the full scale design and manufacture had no source in Falkirk or even Scotland. The technologies used are not leading edge. A better example of our innovation, change and ground breaking technologies as an inspiration to our young and schools is the current works at the docks and Ineos. Tourism is seasonal, low pay, low skill but we need that. We need to encourage the higher value industries and expand our tax base. We need to expand our service culture of the tourism industry and expand the commercial footfall of your facilities - parking, value excursions, knowledgeable guides, heritage celebration (there is no evidence at the Helix, Wheel or Kelpies of our 250 years of our industrial and enterprise leadership and how it translates to today's life of young people and our growth ambitions.)
  - Expanding Grangemouth is good. If biochem is a target, you need to ensure you have access to science and tech courses in the schools and colleges. Offer to modify class content to suit company needs (like mechatronics did for electro-mechanical companies like semiconductors). Start the companies with the correct layouts, so space is utilized from the start.
  - see above notes
  - You won't grow it by spending £21 on needless new offices, and then making people redundant to pay for it."
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#### **Do you have any comments on priority two; Investment?**

- Consider supporting initiatives to promote alternative methods of moving around the Falkirk such as cycling.
  - It is critical that Falkirk becomes self-sustaining economically and not reliant on businesses that damage the environment e.g. Fracking
  - There are strategic priorities and specific targets in the Tourism Strategy that could be incorporated at various points in this chapter to add value/strengthen the position eg new accommodation, food & drink
  - I think diversifying into green energy is fine and important for the whole of Scotland. I would be against fracking and giving Ineos any more power.
  - Falkirk employees in this area need to be enlightened and trained. See all above Focus investment on real growth projects not low return projects. Examples can be provided
  - Investment decisions are tricky. You might want to ensure you use the limited cash to fix existing problems first and avoid wasting funds on HS2 like projects.
  - My understanding was that the proposed budget cuts would impact on such things as the town centre and business development team. This didn't seem to be reflected in the priorities.
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**Do you have any comments on priority three; Inclusion?**

- Consider how work placements can be provided in the town centres.
- The local authority should widen the range of providers than just itself as everyone knows that once you add in the factor of pensions that the local authority is the dearest provider of any services.
- I am not sure that the strategy goes far enough to support inclusion for everyone - from the very young to the very old and including the most vulnerable. Everyone in Falkirk has a potential contribution to make to the economy - from volunteering to employment to entrepreneurs. This isn't fully embraced in the strategy
- Within the tourism strategy there is a section on Building our capabilities - Tourism is everyone's business. Within this there is a focus on Jobs & skills - business support initiatives, promotion of tourism as a career etc.
- It should also be recognised that not everyone can work 'normal' hours or for that matter stay in employment long term. I am specifically thinking of people with problems around alcohol, drugs and mental health. There needs to be flexible working where people can be welcomed back when they are able to participate in the working world.
- Upgrade our schools to understand and instil confidence and motivation in our pupils. Better understanding of opportunities rather than the myopic pursuit of subjects with little career prospects. Better sports training. Most teachers do not have the skills or the time. Use volunteers who have the skills. Promote sports with are cheap, mass participation where positive achievement can be achieved. Leverage the facilities we have - table tennis, golf football, tennis, squash badminton, etc.
- N/A

**Please include any other comments on the draft Economic Strategy document.**

- Make more reference to other partners who will support the delivery of the actions.
- Public transport in and around Falkirk is dreadful. A better local economy will need something better. What about work in and with schools to support children and young people's development and current and future contribution to their economy and local community? What about local production of goods and services to prevent, for example, fuel and food poverty? This strategy has its limitations
- As tourism and the visitor economy is so important in terms of economic growth of any area and Falkirk, in particular, can demonstrate this, I would suggest that there is inclusion of elements of the Tourism Strategy within the Economic Strategy. Particularly the vision, the strategic priorities, the targets and some of the delivery actions. Doesn't need to be extensive but it would position tourism in its recognised role of a strong economic driver.
- Scandinavia had a process of using energy from business for heating homes in the 80's, it is time we caught up with them. I went to School in Lerwick where languages taught included Norwegian. This was relevant to the economy as there were a lot of fishing boats coming into the town and there was commerce between Norway and Shetland. All children from primary school should learn a language but the local needs should be looked at too.
- Fuel poverty - this is dictated by government policy and energy prices. We should emphasis better house energy conservation, insulation, construction. Look at USA, Canada, Scandinavia. Build beyond the specification in place today. This is not difficult. Tourism - look at Stanley Park Vancouver as a model. Environment, industry, art, tourism, sustainability in harmony. Have an education and technology transfer with the Chinese and Ineos (and others) and FVC
- N/A