

The background of the slide features the Falkirk Council Coat of Arms. It consists of a shield divided into four quarters. The top-left quarter shows a saltire (X-shaped cross) on a blue field. The top-right quarter shows a stag's head facing left on a red field. The bottom-left quarter shows a ship on a blue field. The bottom-right quarter shows a lion passant guardant on a red field. Above the shield is a crown with four fleurs-de-lis. A ribbon scrolls around the bottom of the shield with the motto 'AWE FOR A'.

AGENDA ITEM

6

**FOLLOWING THE
PUBLIC POUND**

**REPORT:
FALKIRK
ENVIRONMENT
TRUST / FALKIRK
TOWNS LTD**

FALKIRK COUNCIL

**Subject: FOLLOWING THE PUBLIC POUND REPORT:
FALKIRK ENVIRONMENT TRUST / FALKIRK TOWNS LTD**
Meeting: SCRUTINY COMMITTEE
Date: 10 March 2016
Author: DIRECTOR OF DEVELOPMENT SERVICES

1. INTRODUCTION

- 1.1 The purpose of this report is to update Members on the work of the above external organisations which received funding, in part, from Development Services and which fell within the 'Following the Public Pound' (FPP) reporting and monitoring arrangements.
- 1.2 Falkirk Environment Trust (FET) is a charitable organisation able to provide a range and quality of service that would not otherwise be provided. Falkirk Towns Ltd is a company limited by guarantee which provided town centre management services and runs the Falkirk Business Improvement District (BID).
- 1.3 This report seeks to provide Members with information on the funding agreements which Development Services had with these external organisations covering the period 1 April 2014 – 31 March 2015, in line with the FPP and Council procedures.

2. OVERVIEW OF ORGANISATION

- 2.1 The table below shows the funding the organisations received from the Council during 2014/15, for which Development Services was the lead monitoring Service. It should be noted that an organisation may have received funding support from another source as described in the appendices.

Organisation	Report Year	Funding Purpose	Support Received 13/14	Support Received 14/15
Falkirk Environment Trust (FET)	14/15	Core funding to support community led environmental projects	£27,450	£27,450
Falkirk Towns Ltd	14/15	Improving the economic performance of town centres	£188,890	£188,890

3. ASSESSMENT OF ORGANISATIONS' PERFORMANCE

- 3.1 Appendices 1 and 2 give an overview of the services provided, the agreed objectives or outcomes, performance information during the reporting period and a financial overview based on audited accounts and financial monitoring arrangements.
- 3.2 As part of the support allocation assessment process, external organisations are allocated a risk rating based on governance arrangements, financial management and past performance. The ratings are low, medium or high and provide Monitoring Officers with an indication of the minimum level of monitoring and support which should be established. External organisations deemed as low risk (FET and Falkirk Towns Ltd in this case), are monitored at least annually. Monitoring is recommended to take the form of reports which measure performance against outcomes and/or objectives and provide financial monitoring information. Monitoring Officers are also required to hold meetings with the external organisation throughout the year.

4. CONCLUSION

- 4.1 As set out within the 'Following the Public Pound: Scrutiny Committee Role and Reporting Schedule', Members are invited to consider this report and select from the following options:
- A. Approve report and acknowledge progress by the external organisations in meeting Council priorities;
 - B. Request further information on specific aspects of the service provided; or
 - C. Request action with follow-up for subsequent Scrutiny Committee consideration.

5. RECOMMENDATIONS

- 5.1 **Members are asked to consider this report on Falkirk Environment Trust and Falkirk Towns Ltd and select an option from those presented in paragraph 4.1.**

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DIRECTOR OF DEVELOPMENT SERVICES

Date: 2nd March 2016

Contact Name: Ian Edwards, Ext 4714 / Jacquie MacArthur, Ext 0973

APPENDIX

1. Following the Public Pound Annual Reporting Statement: Falkirk Environment Trust.
2. Following the Public Pound Annual Reporting Statement: Falkirk Towns Ltd

LIST OF BACKGROUND PAPERS

1. Falkirk Environment Trust Accounts and Annual Report 2014/15
2. Report to Policy and Performance Review Committee 19 March 1998.
3. Falkirk Environment Trust Business Plans (2009-14 and 2015-20).
4. Falkirk Environment Trust – Project Files.
5. Falkirk BID Business Plan 2011 – 2016
6. Falkirk Towns Ltd – Project File

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 504714 and ask for Ian Edwards or 01324 590973 and ask for Jacquie McArthur

<p align="center">FALKIRK COUNCIL DEVELOPMENT SERVICES FOLLOWING THE PUBLIC POUND ANNUAL REPORTING STATEMENT 2014/15</p>

Organisation Name	Falkirk Environment Trust
Project	Annual Progress Report
Agreement Dates	Annual – August
Name of Lead Officer	Ian Edwards, Falkirk Environment Trust Monitoring Officer

A OVERALL ORGANISATION AIMS

Summary of Key Aims & Objectives

- During the reporting period, Falkirk Environment Trust (FET), established in 1998, was a charitable company established to disburse monies available from the Landfill Communities Fund (LCF) to local agencies and community groups engaged in appropriate, qualifying environmental improvement works.

List of Outcomes

The principal outcomes of the agreement during the relevant period were:

- To develop and fund projects that meet the requirements of the Landfill Tax (1996) Regulations as set out in guidelines produced on behalf HM Revenue and Customs by ENTRUST.
- To publicise and promote the availability of landfill community funds to local agencies and community groups.
- To assist local agencies and community groups with applications for landfill community funds through FET.
- To advise successful applicants on the procedures and administrative requirements that require to be fulfilled before funds can be claimed.

These outcomes were achieved through the Falkirk Environment Trust Board and other projects relating to the work of FET.

How is FET Funded?

The Council provided £27,450 annually to core operating costs. This equated to 55% of direct salary costs of the Development Manager, plus accommodation and administrative overheads.

The remaining 45% of salary cost was met in full by FET through fee income. Fee income was based on an hourly rate for time spent on project administration.

The working partnership with the Council was subject to a Joint Working Agreement

B	ACTUAL PERFORMANCE vs. OBJECTIVES / AGREED OUTCOMES
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The figures for financial year 2013/14 are provided below for information and comparison purposes.

Funds allocated by FET to Projects 2013/14 – Main Grants Scheme			
Project	Organisation	Amount FET £	Total Project Value £
Kinneil LTFP	CSGN Trust	75,000	167,106
Bespoke Alpine Tractor	Bespoke	15,540	31,080
Blackness JMT Phse 1	Blackness Comm Council	32,000	450,000
Larbert Cycle Track	Tryst Comm. Sports Hub	50,000	254,400
Helix Adventure Zone	Falkirk Community Trust	40,000	295,378
Camelon War Memorial	Camelon War mem. Committee	36,000	127,981
Muiravonside Access	TCV Scotland	5,320	10,640
Bothkennar Pools	Falkirk Council	7,000	16,608
Kinneil Foreshore	Falkirk Council	17,489	25,624
Skinflats Bioremedy	RSPB	5,000	45,000
Carron Invasives	River Forth Fisheries Trust	6,500	13,000
Polmont Wood Habitat	Falkirk Council	4,968	12,111
TOTAL		294,817	1,448,928
Funds Allocated by FET to Projects 2013/14 – Small Grants Scheme (up to £2000)			
Project Name	Organisation	Amount FET £	
Langlees Orphan Land Project	Brighten Up Langlees and Bainsford (BULB)	2,000	
Upper Avon Restoration Project	River Forth Fisheries Trust	2,000	
Muiravonside Wildlife Survey and Bioplan	Falkirk Community Trust	1,900	
The Letham Cairn	Letham Tenants and Residents Association	1,215	
Muirhouses Amenity Enhancement	Muirhouses residents Group	2,000	
John Muir Bioblitz	Lionthorn Comm. Woodland Group	450	
Jupiter Sheds	TCV	1,625	
Carron Dams Renovation Project	Communities Along the Carron	1,000	
Westquarter Bioblitz	Westquarter Wildlife Group	1,200	
Blackness Amenity Improvements	Blackness Community Council	600	
CATCA/FNH Publication	CATCA/ Forth Naturalist and Historian	1,000	
Bespoke Path Maintenance Tools	Bespoke Community CIC	3,000	
Falkirk Nature Festival	Forth Naturalist and Historian	1,000	
TOTAL		18,990	

APPENDIX 1

The figures for financial year 2014/15 are provided below.

Funds allocated by FET to Projects 2014/15 – Main Grants Scheme			
Project Name	Organisation	Amount FET £	Total Project Value £
Larbert To Dorrator Link	CSGN	15,000	164,200
Denny Memorial Garden	Falkirk Council	31,812	95,185
Lionthorn to Cleuch Access	Bespoke	38,480	76,961
The Bespoke Skills Track	Bespoke	23,237	56,474
Slamannan Parish Church	Slamannan Parish Church	20,000	487,920
Muiravonside Invasives 3	TCV	10,890	21,680
Bo'ness to Blackness JMW 2	Blackness Comm Council	35,000	305,158
Lionthorn Bridge Project	Lionthorn Comm Woodland	6,408	12,816
Avonglen Great Crested Newts	Froglife	5,650	11,300
Muiravonside Newts	Froglife	6,057	12,114
Kinneil Drystane Wall	Falkirk Council	15,000	61,715
Kinneil Kerse Lagoons	RSPB	6,000	25,000
Callendar Park invasives Project	Falkirk Community Trust	28,100	56,200
Bridgeness Wildflower Meadow	Buglife	11,453	22,906
TOTAL		253,087	1,409,629

Funds Allocated by FET to Projects 2014 / 15 – Small Grants Scheme (up to £2000)		
Project Name	Organisation	Amount FET £
Macaras Park Road safety track	Macaras Park TRA	2,000
Rugby Club Paths and Hedge	Falkirk Rugby and Sports SCIO	2,200
Brightons Amenity Improvements	Brightons Environmental Group	1,800
Kinneil Picnic Tables	Friends of Kinneil foreshore group	511
Airth War Memorial Enhancement	Airth Community Council	1,690
Shieldhill Butterfly Garden	Butterfly Garden Group	1,050
Westfield Disabled Enhancements	Westfield Community Group	2,000
Insurances for Volunteering	CATCA	300
Carron River Clean up	CATCA	2,000
TOTAL		13,551

Summary of Key Issues/ Challenges Facing Organisation

A continuous flow of qualifying and deliverable applications from local agencies and community groups into FET was essential to stimulate provision of monies from landfill operators.

The Landfill Communities Fund was dependent on the amount of waste going into landfill. This was dependent on national and international waste management strategies, markets and demand for recycleable material.

Responsibility for landfill tax was devolved to the Scottish Parliament in April 2015. A Scottish Landfill Communities Fund subsequently was established and a 10% increase in the tax 'credits' available to bodies like FET for environmental project work was made available. The impact of this change will be seen in the subsequent reporting period.

How has Organisation Contributed to Council/ Service Priorities

FET grants enabled a wide range of organisations to carry out a wide range of work that fit with the aims of the following Council strategies and plans – Local Biodiversity Action Plan, Local Development Plan, Community Plan, Outdoor Access Strategy.

List any Areas where there has been Shortfall in Performance

None

How often are Review Meetings held with Lead Officer

The FET Board met quarterly. The Planning and Environment Manager represented the Council on the Board.

C FINANCIAL / RISK ASSESSMENT OVERVIEWTotal Support Provided (Financial & In- Kind Contributions)

Falkirk Council - £27,450.00

Last Period of Submitted Audited Accounts

The audited accounts for 2014 – 2015 were available for the FET Board meeting in December 2015.

Future Risks (Financial, Operational or Structural) Faced by Organisation

See Summary of Key Issues/ Challenges Facing Organisation above.

Overall Risk Rating (Low/Medium/High)

Low

D CONCLUSIONSSummary/ Opinion of Organisations Overall Progress During Year

FET is a key player in the delivery of natural and built heritage projects throughout the Council area. Without Landfill Community funding many of the successfully completed projects to date would not have been carried out.

E COMPLETED BYName

Ian Edwards

Designation

Environment Co-ordinator, Planning & Environment Unit

Date

11.02.16

**FALKIRK COUNCIL DEVELOPMENT SERVICES
FOLLOWING THE PUBLIC POUND ANNUAL REPORTING
STATEMENT
2014/2015**

Organisation Name	Falkirk Towns Ltd
Project	Falkirk Business Improvement District (BID) Delivery & Promotion of Town Centres
Agreement Dates	1 April 2014 – 31 March 2015
Name of Lead Officer	Jacquie McArthur
A OVERALL ORGANISATION AIMS	
<p><u>Summary of Key Aims & Objectives</u></p> <p>During the reporting period, Falkirk Towns Ltd was a company limited by guarantee. Its principal aim was to contribute to the economic performance of town centres in the Falkirk area (Falkirk, Grangemouth, Denny, Bo'ness and Stenhousemuir). In Falkirk it managed and delivered the Falkirk Business Improvement District, considered nationally as best practice in achieving and delivering the Scottish Government's Town Centres First principle objectives.</p> <p>The service provided by Falkirk Towns Ltd contributed towards the following goals of the corporate plan which were:</p> <ul style="list-style-type: none"> • To further develop a thriving, sustainable and vibrant economy. • To continue to improve the health, safety and wellbeing of our citizens and communities. • To increase our efforts to tackle disadvantage and discrimination. • To further enhance and sustain an environment in which people want to live, work and visit 	
<p><u>List of Agreed Outcomes</u></p> <p>The principal outcomes of the agreement during the relevant period were:</p> <ul style="list-style-type: none"> • To enhance the cleanliness and attractiveness of town centres • To enhance safety and security in town centres and improve night time economy • To promote and encourage footfall to the Falkirk area's town centres • To provide additional services to town centre businesses <p>These outcomes were achieved through the Falkirk Business Improvement District (BID) Business Plan and other projects relating to the district town centres.</p>	

Why Service/Project is Funded Externally Rather than by the Council

The Council provided a funding contribution of £188,980 to Falkirk Towns Ltd in 2014/2015.

The operation of a separate company for town centre management enabled a range of town centre businesses, as Members of the company, to play a direct part in the management of the company and to direct activities which benefitted the town centres.

The model of town centre management has been replicated in many Scottish towns following its early introduction in Falkirk by the then Falkirk District Council. It enabled businesses to have direct control and influence over how the town centre operated, presented itself and improved its performance.

The BID model of delivery is rapidly expanding across Scotland. Delivery of a BID needs to be managed separately from Council operations and the Company provided the vehicle for doing this. During the reporting period the Falkirk BID generated additional income for town centre management activities through a business rates levy as well as being a recognised organisation and structure able to apply for external funding opportunities to the benefit of the area.

B ACTUAL PERFORMANCE vs OBJECTIVES/AGREED OUTCOMES

Summary of Key Achievements

The Company undertook a wide range of activities to deliver the agreed outcomes of the Joint Working Agreement. The Company's activities are summarised below. The Company has also worked closely with the Council's Growth & Investment Unit in supporting delivery of town centres regeneration initiatives with part of the company's activities having delivered or supported elements of regeneration.

Cleanliness and attractiveness of town centres – this strand of activities comes under the heading of **Taking a Pride in Falkirk**. The Company employed a handyman who carried out small repairs, maintenance and clean-ups, including removal of graffiti and fly posters. The Company worked closely with the Council's Litter Strategy Team and Keep Scotland Beautiful. In its audit of cleanliness, Falkirk achieved the highest score of any town centre in Scotland. For its gum reduction campaign, the Company, using its own machines engaged operatives from the Council's Criminal Justice service. Floral displays, holly balls, seasonal clean-ups and empty shop window displays are further examples of the Company's activities which contributed to Taking a Pride in Falkirk.

Safety and security of town centres – safety and crime reduction were the key elements of the Company's operations. It operated one of the biggest radio link schemes in Scotland which enabled businesses to keep abreast of any security issues as they happened. It also operated a Child Safe Scheme for lost children in the town centre. The Company employed street ambassadors who patrolled the town centre to assist and support the public and liaise with local businesses. Sense of security is particularly important for expanding the night time economy and the company's Taxi Marshal Scheme, Pubwatch scheme and seasonal Safe Zone/Safe Base all made valuable contributions. 14 licensed premises participated in the national Best Bar None accreditation scheme. This strand of activities came under the heading **It's Friendlier in Falkirk**.

Promoting town centres – Let’s Shout About It – the town centres were strongly promoted to increase footfall, spend and customer loyalty. Among the initiatives in the period under review were many events including Farmers’ Markets, Christmas events and street parties. The Company introduced an annual comedy festival Funny in Falkirk in 2010 and this has proved itself as an annual event in the Falkirk calendar. A pilot, Free After 3 car parking initiative operated for a 9 month trial run and local businesses reported an increased level of footfall during its duration. The company continued its long standing relationship with The Falkirk Herald to ensure that regular good news stories were featured about the town centre businesses, sponsorship of the Shop Local, Eat Local and Play Local campaigns and as media partner for the Comedy Festival - Funny in Falkirk. The Business Grants Scheme proved to be a popular support to local businesses wishing to make small improvements to their premises. In collaboration with partners, the company delivered projects which stimulated visitor numbers and linked the town centre with other local attractions like the Kelpies and the Falkirk Wheel. Falkirk Towns worked collaboratively with the Growth and Investment Unit, Visit Falkirk and delivered a number of tourism initiatives for the area.

District Centres – many of the above initiatives were replicated in the district towns of Grangemouth, Bo’ness, Denny and Stenhousemuir. The company supported events included the Victorian Street Fair in Bo’ness, the Grangemouth Festival of the Sea, Denny Day and Love the Lido Day in Stenhousemuir. Funny in Falkirk also featured in each of the district towns and each of the district centres had a programme of Christmas events which included Christmas Light Switch Ons and Aviemore Reindeer. The company employed an Assistant District Town Centre Manager to deliver these events and other initiatives aimed at promoting footfall and loyalty to the local businesses such as the Shop Local, Eat Local, Play Local campaign. Local business groups have been re-established in the district towns to further support trade in the districts. The company handyman service also operated in the district town centres. The Assistant District Town Centre Manager provided support to many local groups and organisations who sought to strengthen footfall and the profile of the area.

Additional activities – the company supported a range of initiatives which helped to improve visitor numbers and raise the profile of the area and liaised with a number of organisations including Falkirk Business Panel, the Community Planning Partnership, and Community Councils. The company made presentations at many local and national meetings.

Falkirk Towns Ltd and the Falkirk BID – during the reporting period, the Company’s board of directors was responsible for the Falkirk BID as well as the company. The company’s BID activities were carried out under the name Falkirk Delivers.

Summary of Key Issues/Challenges Facing Organisation

In managing town centres, the company faced considerable difficulties arising from the loss of town centre footfall and trade which has been prevalent nationally in recent years. In common with the rest of the UK, the continuing drift to internet shopping and the popularity of out-of-town retail presented the company with many challenges. Nevertheless, the company's very active presence and operations have addressed many of these challenges and have helped engage many town centre operators in ensuring the town centres sustain their scale of trading and performance to the best possible degree. The Council's Growth & Investment Unit including Business Gateway and the town centres regeneration and tourism teams worked closely with Falkirk Towns Ltd to support new and existing businesses.

How Has the Organisation Contributed to Council/Service Priorities

With its long history of co-working with Falkirk Council, the company has integrated well with Council activities. The Council benefitted from this established and mature relationship, with many activities undertaken with the minimum of administrative effort, which ensured resources were applied to front line delivery.

List the areas where there has been Shortfall in Performance

N/A

How often are Review Meetings held with Lead Officer

The Lead Officer met with the Company on a regular basis, at least monthly with regular weekly, often daily contact made on day to day issues. The meetings focused on a range of different joint and individual projects, as well as the overall management of the Joint Working Agreement. The monitoring work was augmented by a series of other meetings which the company held with other Council contacts.

C FINANCIAL/RISK ASSESSMENT OVERVIEW

Falkirk Council provided £188,980 in funding in 2014/15. The company generated other income from projects (£20,500) and from the BID levy (£189,000). Therefore the Council's contribution was 47% of the company's total income.

Falkirk Towns Ltd generated a significant level of activity which promoted the town centres and which maintained strong interest in these commercial sites from both consumers and businesses. The company has calculated that it generated positive media coverage to the value of around £1:1.4 from its activities and only a very small proportion of this comes from paid for advertising etc. The company was seen to be delivering value for money.

The Company's accounts for 2014/15 were finalised, audited and lodged at Company's House by the due date 31 December 2015.

The Company's financial performance in 2014/15 showed a reduction in reserves to £14,215 (from £40,321 in 13/14) and net current assets of £9,505.

The company anticipated a small, planned deficit in the 2014/15 accounts and the company continued to be solvent. The company sought to use all resources at its disposal annually and did not attempt to build up reserves.

There were no issues of financial concern for the reported period.

Future Risks (Financial, Operational or Structural) Faced by Organisation

Financial – none in period under review with current Council budget savings accommodated in the year of trading. Falkirk Council budget savings for the period 2016-17 have been confirmed to the company. There is a risk that additional budget savings proposals will be necessary in 2017/18.

The BID approaches rebalot for a further five year term in May 2016 and this may affect leverage of funds. These issues are being actively considered by the company's Board.

Operational – performance is to a great extent dependent on the economic climate but the company is showing much determination and success in difficult circumstances.

Structural – none, the Board has operated satisfactorily with key staff in position. Alistair Mitchell, the longstanding manager of the company retired in 2015 and following an open recruitment and interview process has been replaced by Alex Fleming as the new Manager, formerly an assistant town centre manger within the organisation.

Overall Risk Rating (Low/medium/High)

Low/medium

D CONCLUSIONS

Summary/Opinion of Organisations Overall Progress During Year

Falkirk Towns Ltd has delivered a wide range of activities and contributed greatly to sustaining town centre activity and trading in very challenging circumstances.

Falkirk Council's commitment to the concept of town centre management is considered to be working well for the benefit of the local economy, providing value for money and recognised as national best practice in BID delivery outputs.

Future risks relating to the performance of the town centre and the availability of future funding from the Council and BID are being actively considered by the Company's Board.

E COMPLETED BY

Name	Jacquie McArthur
Designation	Economic Development Officer
Date	29 January 2016