

The background of the slide features a large, faint, light blue outline of the official coat of arms of the City of Anchorage. The coat of arms is a shield divided into four quadrants. The top-left quadrant shows a sailing ship on wavy lines representing water. The top-right quadrant depicts a moose's head facing left. The bottom-left quadrant contains a cross. The bottom-right quadrant shows an eagle with its wings spread. Above the shield is a crown with four points, each topped with a flower. A banner at the bottom of the shield contains the text "ANNE FOR A".

Agenda Item 16

Tax Incremental Finance Initiative update report

Falkirk Council

Title: Tax Incremental Finance Initiative update report

Meeting: Executive

Date: 16 October 2018

Submitted By: Director of Development Services

1. Purpose of Report

- 1.1 The purpose of this report is to provide an update on the Falkirk Tax Incremental Financing (TIF) initiative including revisions to the infrastructure programme with proposals for an elevated cycle /pedestrian bridge structure at the A9/A904 Westfield roundabout and further amendments to lease arrangements at Falkirk Stadium.

2. Recommendations

It is recommended that the Executive agrees:-

- i) to note the update of progress with the Falkirk TIF Initiative**
- ii) to agree the revised implementation schedule for TIF projects as outlined in Appendix 1, including provision of an elevated cycle /pedestrian bridge structure at the A9/A904 Westfield roundabout;**
- iii) to revise the ground lease with Falkirk Football Club at the Falkirk Community Stadium as outlined in para. 4.4.**

3. Background

- 3.1 The Falkirk TIF initiative is a key priority of the Council and is designed to increase development activity taking place in the Falkirk area through the creation of enabling infrastructure. A report to the Executive on 21 February 2018 gave a full update on the delivery of the project, agreed an updated implementation programme, advised of work taking place to progress the marketing of the Falkirk Gateway and proposed arrangements for leases to be established with Falkirk Football Club for delivery of a low carbon vehicle project at Falkirk Stadium.

4. Considerations: Project Update

4.1 TIF Infrastructure Delivery

- 4.1.1 Within the five years since the TIF project started the Council has delivered £6m of infrastructure work including the Earlsgate roundabout improvement works. The balance of infrastructure works requires to be delivered over the next 6 years.

- 4.1.2 An updated TIF infrastructure programme is attached as Appendix 1. This indicates adjustments to the previous schedule approved at the Council's Executive in February this year. These adjustments address issues considered in this report, specifically changes to delivery timescales in relation to the Westfield roundabout project including the need to integrate the proposed Westfield 'Ring' and Falkirk Gateway site enabling works, including site access roundabout and surface water drainage provision.

4.2 The Westfield 'Ring' Proposals

- 4.2.1 The connection of the A9/A904 at Westfield roundabout is being upgraded and widened as a priority project in the TIF Infrastructure programme. This is intended to improve vehicular access and movement and help stimulate investor demand at this strategically important location (Appendix 2). Increased road capacity is essential to support the longer term development plans in this vicinity. However there is also a need to create capacity for clear pedestrian flow across all four sites to support the overall development.
- 4.2.2 The creation of a suitable crossing with supporting infrastructure for pedestrians and cyclists is necessary for connections across the Gateway, Helix Park, the Kelpies, Falkirk Stadium, Forth Valley College and to access facilities in Falkirk town centre. The success of the Helix and the Kelpies has placed added demands on the areas infrastructure with pedestrian/cycle crossings between the Falkirk Stadium and Helix Park averaging 36,000 per month.
- 4.2.3 Following a full options appraisal, the feasibility work, undertaken by the Council and its term contractor WSP, has confirmed that the optimal design for a pedestrian/cycle crossing is a circular elevated structure above the Westfield roundabout. This enables pedestrians and cyclists to avoid conflict with traffic, improves access and provides an attractive feature within the area to complement the Gateway, Forth Valley College, Community Stadium and the Kelpies.
- 4.2.4 The Council has instructed WSP to prepare a detailed design and specification for all Westfield (Phases 1-3) road improvement works and an exemplar design for the proposed Westfield Ring (*working title*). This is needed in advance of a design and build tender process. The Ring is anticipated to cost c£10m and will be funded through the TIF enabling budget as a critical element of the Westfield infrastructure. An illustration of the elevated pedestrian/cycle structure is attached as Appendix 3.

4.3 Healthier Greener Falkirk

- 4.3.1 The report to the Executive on 21 February 2018 gave an update on the 'Healthier Greener Falkirk' project involving the establishment of a low carbon vehicle hub to be located at Falkirk Community Stadium. Discussions have been progressed with Falkirk Football Club (FFC) to finalise amendments to existing leases at the stadium site.
- 4.3.2 FFC had previously requested an extension of its existing ground lease to the east of the stadium as identified in red on the attached plan (appendix 4). However, following more detailed work on its proposals it has requested a further extension to the ground lease (shaded blue on the attached plan) to enable construction of the pitch. This removes an area previously earmarked

for a service road around the stadium and enables the pitch to be constructed more closely to the existing site. The District Valuer has valued this proposed lease variation and confirms that the Council will continue to achieve best value from this transaction. Agreement of the Executive is sought for this transaction to proceed.

5. Consultation

Consultation will be undertaken in regard to the design proposals for the infrastructure projects undertaken as part of the TIF Initiative.

6. Implications

Financial

- 6.1 Delivery of the TIF initiative is being met from dedicated funds established for this purpose.

Resources

- 6.2 None.

Legal

- 6.3 None.

Risk

- 6.4 A risk matrix is maintained for the delivery of the TIF and will be updated to reflect the decisions of members.

Equalities

- 6.5 No implications.

Sustainability/Environmental Impact

- 6.6 Environmental impact of the proposed TIF works will be assessed as appropriate through the planning process.

7. Conclusion

- 7.1 The TIF project is a major initiative for the Council and is being pursued to assist in the economic transformation of the area. The proposed Westfield Ring, as well as being an essential element of the Westfield infrastructure proposals, will also be an additional iconic feature to complement the success of Helix Park and the Kelpies.

Director of Development Services

Author – Colin Frame, Principal Surveyor 01324 590972, colin.frame@falkirk.gov.uk

Date: 05 October 2018

APPENDICES

- Appendix 1 – TIF Implementation Schedule
- Appendix 2 – A9/A904 upgrade proposals
- Appendix 3 - Westfield Ring image
- Appendix 4 - Falkirk Stadium, amendment to ground leases

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:-

1. TIF Files.

TIF Implementation Schedule
(With Inflation highlighted – from June 2018)

Year	Revised Implementation Schedule (Approved through Executive 13 Feb 2018)			Revised Implementation Schedule Aug 2018			With Inflation	
	Name	Cost	Cumulative Expend	Name	Cost	Cumulative Expend	Cost	Cumulative
1 (13/14)	Junction 6	£1.134m	£1.135m	Junction 6	£1.134m	£1.135m	£1.134m	£1.135m
	Westfield (R/about & Spurs)	£0.001m		Westfield (R/about & Spurs)	£0.001m		£0.001m	
	Total	£1.135m		Total	£1.135m		£1.135m	
2 (14/15)	Junction 6	£1.285m	£2.499m	Junction 6	£1.285m	£2.499m	£1.285m	£2.499m
	Westfield (R/about & Spurs)	£0.026m		Westfield (R/about & Spurs)	£0.026m		£0.026m	
	Enabling Works (Abbotsford)	£0.027m		Enabling Works (Abbotsford)	£0.027m		£0.027m	
	Enabling Works (Stadium)	£0.026m		Enabling Works (Stadium)	£0.026m		£0.026m	
	Total	£1.364m		Total	£1.364m		£1.364m	

3 (15/16)	Junction 6	£0.026m	£3.444m	Junction 6	£0.026m	£3.444m	£0.026m	£3.444m
	Westfield Design (R/about & Spurs)	£0.033m		Westfield Design (R/about & Spurs)	£0.033m		£0.033m	
	Enabling Works (Abbotsford)	£0.132m		Enabling Works (Abbotsford)	£0.132m		£0.132m	
	Enabling Works (Stadium)	£0.704m		Enabling Works (Stadium)	£0.704m		£0.704m	
	Gateway Masterplan	£0.05m		Gateway Masterplan	£0.05m		£0.05m	
	Total	£0.945m		Total	£0.945m		£0.945m	
4 (16/17)	Junction 6	£0.016m	£4.544m	Junction 6	£0.018m	£4.754m	£0.018m	£4.754m
	Enabling Works (Abbotsford)	£0.384m		Enabling Works (Abbotsford)	£0.444m		£0.444m	
	Junction 5 Phase 1 Advance Works	£0.7m		Enabling Works (Stadium)	£0.015m		£0.015m	
				Enabling Works (Gateway)	£0.021m		£0.021m	
				Junction 5 Phase 1 Advance Works	£0.812m		£0.812m	
	Total	£1.1m		Total	£1.31m		£1.31m	

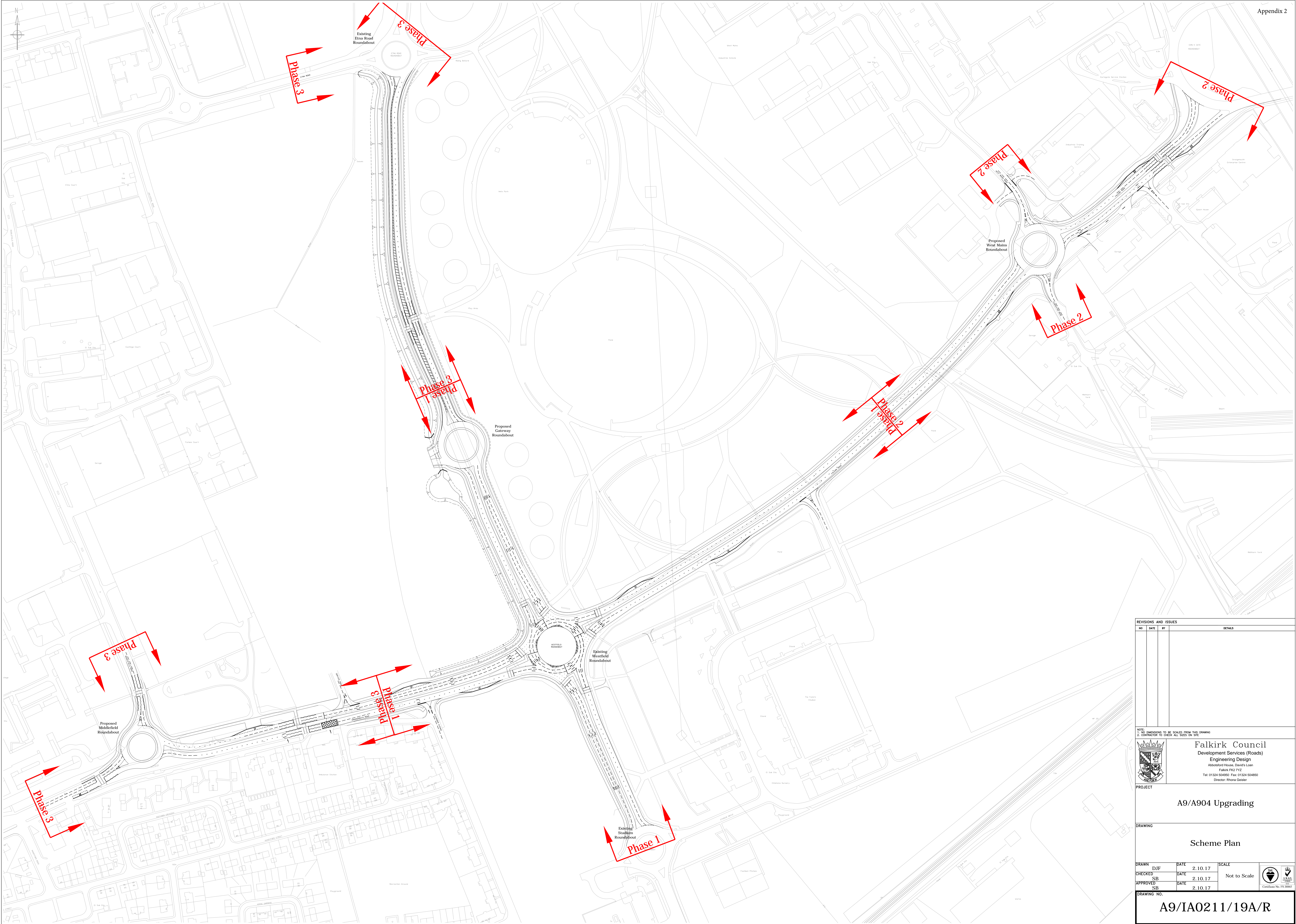
5 (17/18)	Junction 5 Phase 1 Advance Works	£0.375m	£5.820m	Junction 5 Phase 1 Advance Works	£0.326m	£5.476m	£0.326m	£5.476m
	Investment Zone	£0.070m		Westfield (R/about & Spurs)	£0.021m		£0.021m	
	Gateway Phase 1 site enabling	£0.351m		Icehouse Brae	£0.018m		£0.018m	
	FPS	£0.27m		Gateway Phase 1 site enabling	£0.357m		£0.357m	
	Total	£1.066m		Total	£0.722m		£0.722m	
6 (18/19)	M9 Junction 5 Phase 1	£1.813m	£12.184m	M9 Junction 5 Phase 1	£0.931m	£7.476m	£0.973m	£7.566m
	Westfield (R/about & Spurs)	£2.000m		Westfield (R/about & Spurs)	£0.531m		£0.555m	
	Gateway Phase 1 site enabling	£2.013m		Enabling Works (EV Hub)	£0.538m		£0.562m	
	Enabling Works (EV Hub)	£0.538m						
	Total	£6.364m		Total	£2.000m		£2,090m	
7 (19/20)	Westfield (R/about & Spurs)	£4.275m	£24.442m	Westfield (R/about & Spurs)	£5.269m	£17.874m	£5.754m	£18.921m
	Westfield	£1.8m		Junction 5(Phase 1)	£0.931m		£1.017m	

	(Earlsgate R/about)			Junction 5(Phase 2)	£2.162		£2.361m	
	Junction 5(Phase 2)	£2.183		Gateway Site	£2.036 m		£2.223m	
	Enabling Works	£4 m		Enabling Works				
	Total	£12.258m		Total	£10.398m		£11.355m	
8 (20/21)	Westfield/A904	£1.47m	£32.142m	Westfield (R/about & Spurs)	£10.5m	£32.204m	£11.982m	£35.274m
	Westfield (Earlsgate R/about)	£3m		Westfield (Earlsgate R/about)	£1.6m		£1.826m	
	Junction 5 (Phase 2)	£0.03m		Junction 5 (Phase 2)	£0.03m		£0.034	
	A801 Avon Gorge	£2.2m		A801 Avon Gorge	£2.2m		£2.511	
	Enabling Wks	£1m						
	Total	£7.70m		Total	£14.33m		£16.353	
9 (21/22)	A801 Avon Gorge	£3m	£42.142m	A801 Avon Gorge	£3m	£40.224m	£3.578m	£44.685m
	Westfield/A904	£4m		Westfield (Earlsgate R/about)	£3.2m		£3.663m	
	Enabling Wks	£3m		Westfield/A904	£1.82m		£2.17m	
	Total	£10.00m		Total	£8.02m		£9.411m	

10 (22/23)	A801 Avon Gorge	£1.47m	£48.612m	A801 Avon Gorge	£1.47m	£50.344m	£1.832m	£57.296m
	FPS	£5.00m		Westfield/A904	£3.65m		£4.549m	
				FPS	£5m		£6.231m	
	Total	£6.47m		Total	£10.12m		£12.611m	
11 (23/24)	Icehouse Brae	£2.5m	£57.826m	Icehouse Brae	£2.482m	£57.826m	£3.232	£67.04m
	Enabling Wks	£1.984m		FPS	£5m		£6.511	
	FPS	£4.73m						
	Total	£9.214m		Total	£7.482m		£9.744m	
TOTAL		£57.8m		TOTAL	£57.8m		£67.04m	


TIF Asset Schedule

Name	Figure approved through legal agreement	Adjusted figure (Sept 2018)
M9 Junction 6 improvements	£2.2m	£2.463m - delivered
M9 Junction 5 improvements	£5.2m	£5.192m
Icehouse Brae upgrading	£2.5m	£2.5m
Westfield roundabout and A904 upgrade	£16.8m	£26.651m
Site Specific Enabling Works	£14.4m	£4.35m
Grangemouth Flood Prevention Scheme	£10m	£10m
A801 Avon Gorge	£6.7m	£6.67m
Total	£57.8m	£57.826



REVISIONS AND ISSUES			
NO	DATE	BY	DETAILS

NOTE: DIMENSIONS TO BE SCALED FROM THIS DRAWING
2. CONTRACTOR TO CHECK ALL SIZES ON SITE.



Falkirk Council
Development Services (Roads)
Engineering Design
Abbottford House, David's Loan
Falkirk FK2 7JZ
Tel: 01324 504850 Fax: 01324 504850
Director: Rhona Geisler

PROJECT

A9/A904 Upgrading


DRAWING

Scheme Plan

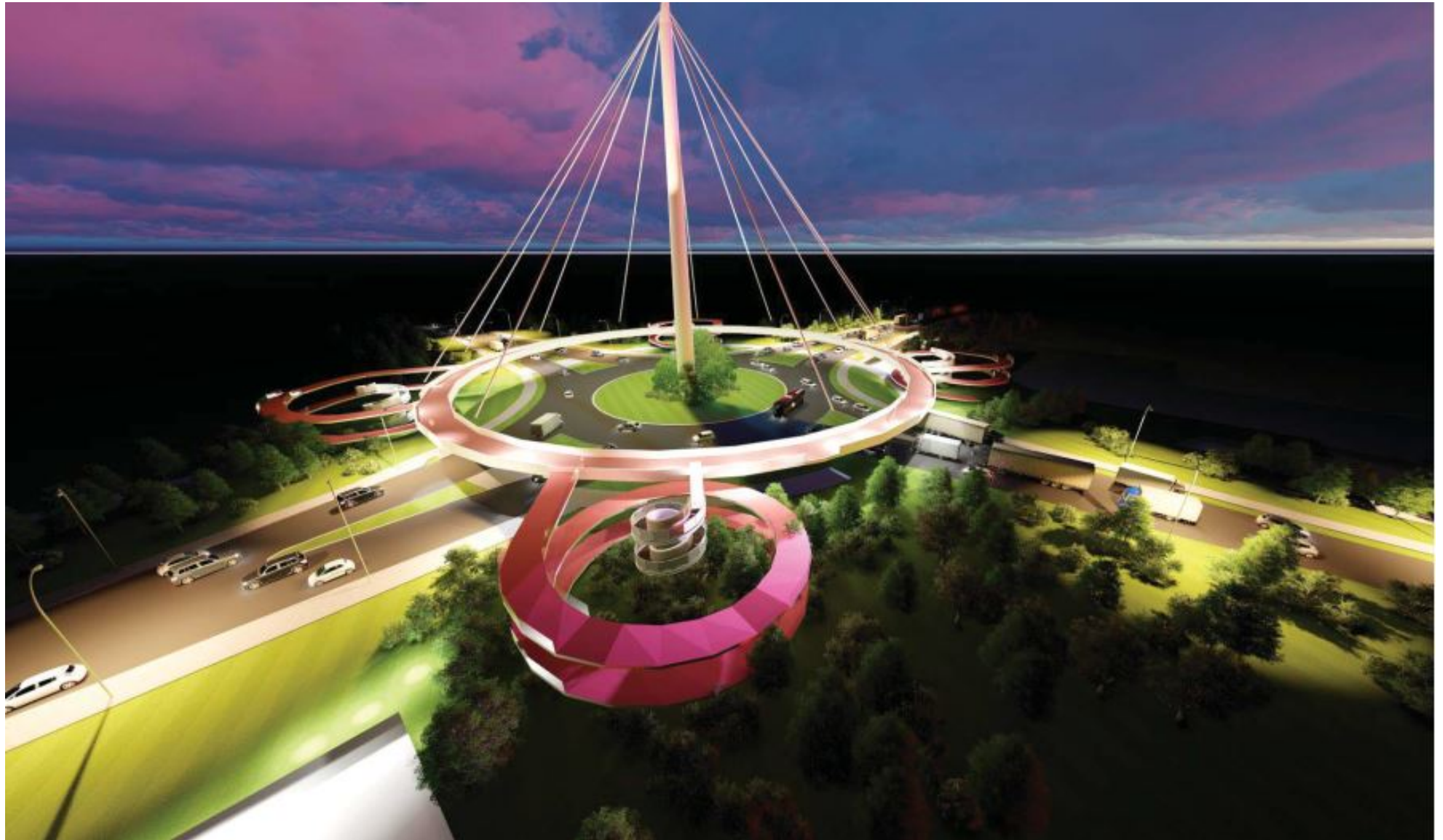
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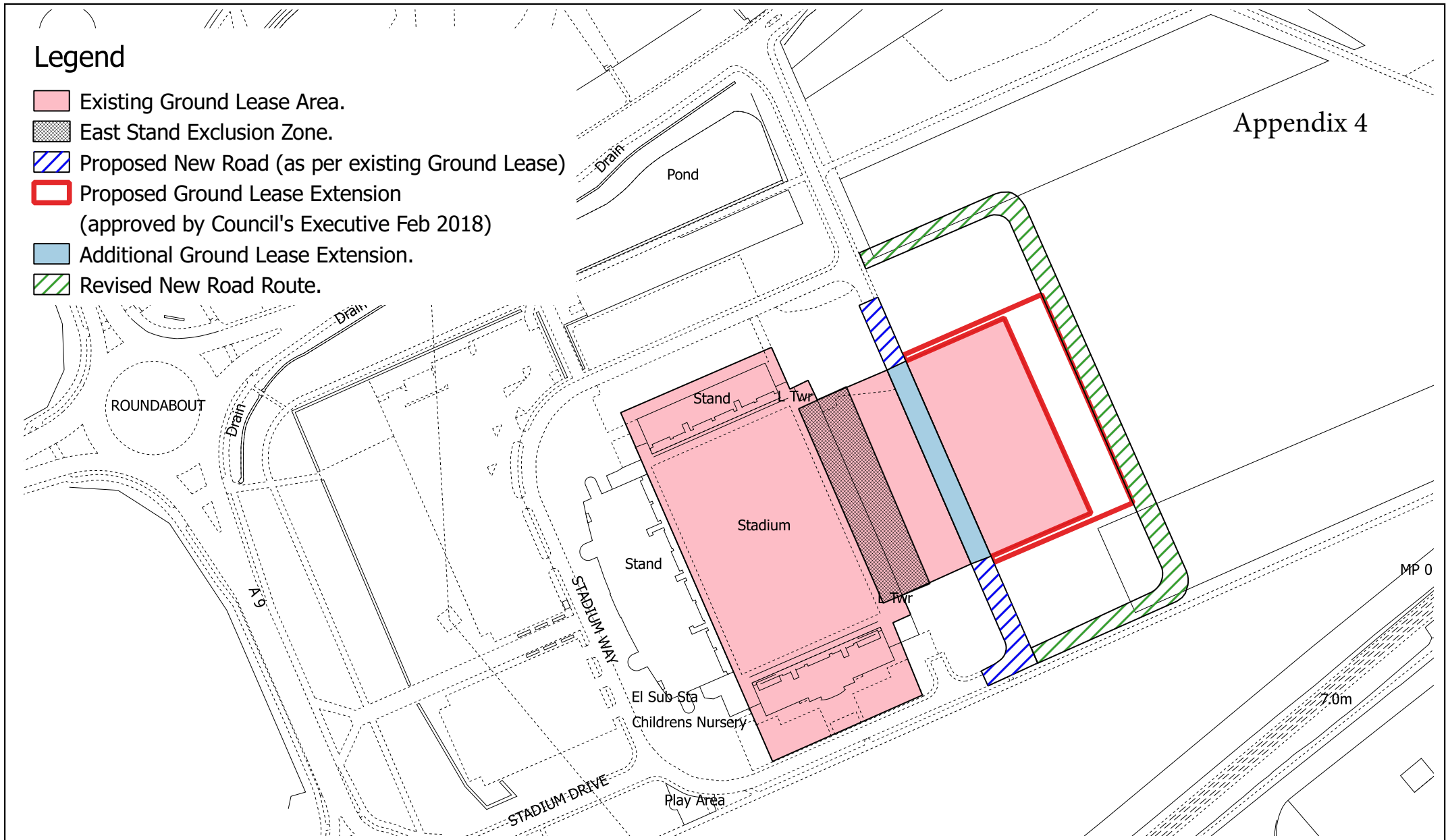


Professional Engineer
Certificate No. PS 38805



Legend

- Existing Ground Lease Area.
- East Stand Exclusion Zone.
- Proposed New Road (as per existing Ground Lease)
- Proposed Ground Lease Extension
(approved by Council's Executive Feb 2018)
- Additional Ground Lease Extension.
- Revised New Road Route.

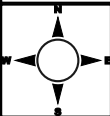


Appendix 4

Scale: 1:2,500

Subject : Revised Ground Lease Extension, Falkirk Football Club,
Falkirk Stadium, Falkirk.

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Development Services

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Falkirk. FK2 9EE Tel: 01324 590960

