

S24. Economic Strategy Update

The committee had previously considered the Economic Strategy on 1 February 2018 (ref S30) and had asked for an annual update to be submitted. The committee had received an update presentation on the strategy on 4 April 2019 (ref S8). Although detailed, the committee had considered that the format had not afforded suitable opportunity for scrutiny and requested that a report be submitted at a later date.

The Economic Strategy 2015-2025: Growth, Investment and Inclusion had been developed with the Falkirk Economic Partnership. The aim of the partnership was to support the Council and its partners to enable the growth of the area's economy, attract investment and ensure benefits for the wider community. Key to this work would be the establishment of an Investment Zone to help grow the areas economy. A business case for creating an Investment Zone had been submitted to the UK and Scottish Governments and the confirmation of the outcome of the bid for £200m funding was awaited.

The report set out work and outcome to date in processing the three themes of the Economic Strategy. These were:-

- Growth
- Investment
- Inclusion

In regard to growth the report provided updates in regard to

- Business growth
- Town centres

In regard to Investment the report focussed on:-

- Tax Incremental financial (TIF) initiative
- Falkirk Gateway
- Investment Zone
- Kelvin Valley Falkirk LEADER

In regard to inclusion the report provided an update on the principal strand of employability.

The committee congratulated Pam Smith on her secondment to the Improvement Service. Mrs Geisler explained that there were benefits to the Council in the secondment and congratulated Mrs Smith on her achievements and successes during her long service with Falkirk Council.

Following a question on the Council's work in regard to Grangemouth Town Centre, Jacquie Mcarthur explained that as part of the action plan it was proposed to establish a youth hub. Members of the committee stated that the Council had promised to listen to the views of Grangemouth High School in regard to the Youth Hub over a year ago and it had not yet been established.

The committee highlighted that the LEADER project was an EU programme and sought assurance on the impact of BREXIT on this initiative. Pam Smith stated that the Treasury had agreed to underwrite any funding committed up to the point of BREXIT.

The Scottish Government and COSLA planned to discuss a shared prosperity fund which the UK government intended to establish to replace the EU structure funding. This would be devolved to Scotland (both revenue and capital funding). The cliff edge was, she said, 2024. Funding was guaranteed until 2023. Officers were in contact with the Scottish Government and COSLA to determine what Falkirk's share would be. There was a risk that it could be less than current funding levels. In response to a question, Mrs Smith stated that there had been political statements to the effect that the new UK fund would match current funding.

The committee noted the Townscape Heritage Initiative funding had been used to refurbish shop fronts. Now that the funding was no longer available for such work, members asked if the planning requirement was now removed and consequently the High Street would see a return to cheaper frontages. Mrs Geisler confirmed that the standard of frontages remained a planning aspiration. In terms of the planning process, applicants could argue that in meeting the standard they were not liable.

The committee then sought clarification in the Denny Town Centre regeneration project, in particular the distinction between phase 2 and 3. The director gave a detailed response. Phase 3 was a small site. Phase 2 had been marketed but no success. Phase 3 had been marketed successfully. Colin Frame advised that phase 2 had been marketed 3 times. It had arguably been marketed for retail and there had been interest but this had not been successful, it was now being considered for social/mixed use.

The committee congratulated the service on attracting external funding and asked for details on the breakdown between capital and revenue funding. The director stated that the service had an enviable track record in successfully attracting funding. She highlighted the work to develop the Investment Zone business case and the funding this would attract. She undertook to provide the committee with a breakdown of external funding by project and funding type.

The committee praised the service's success in developing the tourism sector. Members noted that a number of attractions, such as the Wheel and Kelpies, were out of town and asked that work was done to attract visitors from these attractions into the town centre. The Director acknowledged the question but stated that there were attractions in the town centre such as the Steeple and the Churchyard. There was a need, she recognised, to attract out of town visitors to the town centre. There was a bus service for example from the Kelpies to the town. There was a need to encourage visitors to stay for a number of days. Falkirk was in an excellent location for visitors to see local sights and to travel to both Glasgow and Edinburgh. There was a need to establish better transport links to and from the town and to make the town centre more attractive. There was a Town Centre action plan, and also a Grangemouth town centre action plan.

The committee then discussed the Modern Apprentice programme. The number had reduced from 340 in 2018/19 to 179 at the first quarter of 2019/20. Pam Smith stated that the number was directly related to reduced budgets. Work had focused on those people who needed a more supported placement. The figures had been maintained by Children's Services through for example the expansion of Early Years and social care. The biggest hit had been in business administration, mainly due to the change in the arrangements for Business Support across the Council. The Director added that there had been a significant intake of graduates, with 9 placed in Development Services. The Committee asked about the work of the Individual Placement Support (IPS) Service. Pam Smith explained it worked in partnership with the Scottish Association for Mental Health (SAMH). Falkirk was the only fair start provider to deliver this with 30 individuals having participated in the support to date. The service was for job seekers receiving support from Community Mental Health Service.

The committee discussed the work being carried out in Falkirk Town Centre had highlighted the need for events, such as the Arts Festival, to draw footfall to the town centre. The Director concurred with an observation that it was important to encourage communities to take part in the activities which promote the town and make it a better place to be. She highlighted the Council of the Future theme of enabling communities which sought to do just this.

Following a question in regard to the indicator OP5 – percentage of immediately available employment and which had been 58.9% in 2017/18, the Director stated that there was a requirement in the Development plan to identify use for employment land. Part of the work of the TIF had been to make land available. The Investment Zone would do so also.

Decision

The Scrutiny Committee noted the progress on the Falkirk Economic Strategy.