

Agenda Item 3

Minute

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Draft

FALKIRK COUNCIL

Minute of meeting of the Scrutiny Committee held remotely on Thursday 28 January 2021 at 10.00 a.m.

Councillors: David Balfour
Lorna Binnie
Allyson Black
Jim Blackwood
Niall Coleman
John Patrick

Councillors also attending for item S19: Gary Bouse
Joan Coombes
Paul Garner
Nigel Harris
Cecil Meiklejohn
Lynn Munro
Laura Murtagh
Robert Spears

Officers: Douglas Duff, Acting Director of Development Services
Stuart Irwin, Community Choices Development Officer
Kenneth Lawrie, Chief Executive
William McQuillian, Procurement and Commissioning Manager
Brian Pirie, Democratic Services Manager
Pete Reid, Acting Head of Economic Development

S15. Apologies

An apology was submitted on behalf of Councillor Grant.

S16. Declarations of Interest

No declarations were made.

S17. Minute

Decision

The minute of the meeting of the Scrutiny Committee held on 12 November 2020 was approved.

S18. Rolling Action Log

A rolling action log detailing the status of actions which had yet to be completed was presented for consideration.

Decision

The committee noted the Rolling Action Log

S19. The Corporate Plan 2020-2022 – Enterprise

The committee considered a report by the Director of Corporate and Housing Services presenting performance information on the People - Enterprise priority of the Corporate Plan.

Council had agreed, on 30 September 2020, its Corporate Plan for the period 2020 to 2022. The Plan was based around three priorities – People- Communities; Place – Enterprise and Partnership – Innovation. The committee would receive reports on performance against each of the priorities.

The Enterprise priority focused on:-

- Investment Zone
- Economic Recovery
- Employability
- Inclusive Growth
- Climate Change

The report provided updates in respect of the following areas of activity:-

- Economic Recovery
- Business Gateway
- Tax Incremental Financing (TIF)
- Falkirk Gateway
- Tourism
- Procurement activity
- Falkirk Economic Partnership
- Falkirk-Grangemouth Investment Zone
- Town Centres
- Active Travel and Electric Vehicle Infrastructure Investment
- National Transitions Training Fund
- Employment and Training Unit
- Fair Start
- Connecting Scotland
- Young Persons Guarantee & Kickstart
- Project Search

Performance in this priority (and for Communities and Innovation) would be measured using a suite of Local Government Benchmarking Framework performance indicators. These had recently been realigned to the priorities in the Corporate Plan. The LGBF indicators for Enterprise were appended to the report, mainly for the period to 2018/19. The full LGBF data for 2019/20 would be published shortly and reported to the committee.

In 2020 a number of reviews had been undertaken by Internal Audit. These were:-

- Scottish government assurance audits have been made for the Kelvin Valley & Falkirk Leader Programme undertaken by the Council's internal audit team – Substantial Assurance recorded.
- Internal audit of delivery of two Scottish Government COVID support grants schemes – Substantial Assurance recorded.

Pete Reid, Acting Head of Economic Development gave a comprehensive overview of the report, highlighting that while much of the activity since March 2020 in certain areas, for example Economic Development, had focused on providing support to businesses through the provision of grants, business had continued in other areas, citing notable developments and initiatives.

Councillor Spears, portfolio holder for Culture, Leisure and Tourism, thanked staff within Economic Development and colleagues in partner organisations for their hard work in supporting the tourism sector during a particularly difficult period. Mr Reid had noted that the pandemic had wiped away the progress that had been made in developing Falkirk as a tourist destination (citing a 62% contraction in the first 6 months of 2020). While visitor numbers had dropped significantly the Council had continued to support businesses with training and funding and had worked with new and existing businesses to ensure that information was available online. Audiences for social media promotion had grown markedly since March 2020, with significant interest from overseas. This had been supported jointly with Visit Scotland through joint promotional and video activity.

The committee then considered the impact of TIF on town centres, in particular Falkirk town centre. Mr Reid explained that detailed reports had been submitted to the Executive on TIF and the aim of this report had been to summarise performance. He stated that the TIF would invest £67m in infrastructure. Projects were pressing ahead although the programme had been reprofiled in light of the pandemic. There was also an opportunity for training and development with, for example, contractors around tendering or for work around the Investment Zone. The key point was to keep all the work together and ensuring that the appropriate investment was directed into the communities. The Council was pursuing a programme of town centre regeneration - with town centres first an important place-making principle for each community. He cited work around Newmarket Street in the area in front of Asda. Study had shown 4,600 people had congregated in this area

over a given period and investment there would grow confidence in the town centre more widely. The Townscape Heritage Fund had been used to improve the town centres in Falkirk and Bo'ness on storefronts, for example - however, in Falkirk the key was the HQ/Arts project – it would act as a catalyst for a masterplan to secure additional funding. Once the decision was made on this there would be an opportunity to unlock external funding. He also detailed the work carried out with local businesses to ensure that they consider community benefits in their activity. It was important to talk to and work with the community. In this regard Mr Reid noted comments that proposals to invest in the Bo'ness railway had not taken on board community opinion.

The Leader added that the Falkirk TIF was one of the most successful in Scotland. In regard to the THI she considered that retailers had benefitted hugely from the investment and works and had been supportive even when there had been challenges in carrying out the works. She also noted the work with Invest Falkirk to make the Falkirk disability friendly.

The committee noted that there had been 19.33 business start-ups per 10,000 population in 2018/19 and asked for a summary of the impact of Covid on this in 2020/21. Pete Reid stated that while the Council continued to support start-ups the focus of the Business Gateway since March had been around getting Scottish Government grant funding support to local businesses. Since the pandemic £25m in grants had been provided to 2744 businesses in the Falkirk area. There were a number of funding streams and the application process contained a great deal of information. Applicants were nonetheless asked if they wanted Business Gateway support. In 2019/20 1922 unique businesses had engaged with Business Gateway – in 2020/21 this had dropped to 311.

The committee then asked for an update on when the Grangemouth action plan would be finalised and rolled out. Mr Reid confirmed that this was in progress. A key part of the plan was the repurposing of the town centre – investing in the area and creating a conservation area and this would be a key feature of the Grangemouth Masterplan. Which was being developed with the Scottish Futures Trust.

Members noted that the Investment Zone funding had been less than had been sought and expressed disappointment and asked whether additional funding would be forthcoming. Mr Reid advised that the Council continued to liaise with the UK and Scottish Governments in regard to funding – it was recognised that Grangemouth played a significant role in the UK and Scottish economies. The Scottish Government had set up an internal group to ensure synchronicity between Scottish Government departments and partners in regard to Investment Zone projects and funding.

Following a request for an update on the Avon Gorge Project, Pete Reid confirmed that the Council and Transport Scotland remained in talks about the project and were looking to see progress from within the TIF projected income. This could also be used to finance part of the Grangemouth Flood

Protection Scheme Project. Following a question Mr Reid also indicated that contractors had been appointed for the works at Icehouse Braes and he anticipated that a refined plan would be available by the middle of the year, the necessary CPOs having been made.

Following a question on the potential savings from switching to LED streetlights Mr Reid undertook to provide the committee with a breakdown.

The committee then returned to the impact of Covid on tourism and asked whether the likely increase in domestic holidays this year would offset the decrease in tourists visiting the area from abroad. Mr Reid confirmed the focus would be on attracting local, short distance visitors, guidance permitting, but recognised that this might not benefit some sectors, for example the hotel trade. In regard to overseas visitors it was vital that the area maintained its profile within the travel and tourism industry so that when travel was allowed Falkirk was on the map as an area to visit. He anticipated that it would take 2 years to return to former levels of international visitors so for this period the focus would be on growing domestic interest. He was encouraged by the interest in the various social media platforms which were promoting the area, which indicated interest in the area from overseas.

The committee noted that pre Covid it had been the case that not all the vacant lots in Denny town centre had been occupied and asked, given the impact of Covid on retail what the Council was doing to promote Denny and to fill the vacant lots. Mr Reid confirmed that there were vacant premises and that the Council would continue to market and promote the town centre. There had been development around the town centre with additional properties built and retail introduced. He added that there remained two areas to be developed as part of the plan for the town centre after phase 1. Phase 2 had been marketed for food retail but demand had been limited but there had been interest for residential development and this was being pursued. Phase 3 had been sold for a Post Office Development.

The committee discussed the Northern Connections INTERREG project and asked whether Brexit would have an impact on the project and the partnership with the 21 other European countries involved. Mr Reid advised that the Council would continue to liaise and work with the other countries involved but opportunities for future funding for this and other projects would be affected by Brexit. Post transition period, in 2022, EU funding for projects would have to be provided by government rather than from Europe.

Following a question Mr Reid confirmed that the Council's share of the £30m funding that had been allocated to local authorities to support young people to secure education, training, employment or work placements as part of the Scottish Government's Young Person Guarantee and Kickstart was approx. £600k, which had allowed the Council to bid for around 335 places.

The committee then asked Mr Reid for an update on media reports that Grangemouth would be awarded free port status. Mr Reid explained that free ports were a U.K Government initiative, with 10 likely to be created across the U.K. The Scottish Government had been consulted as part of the process and had also consulted on the model it would like to see developed in Scotland - which was 'green ports' which would be promoted as places to trade and places of economic growth. This aligned with the Council's approach to the Investment Zone package. At the moment it remained unclear which sites could have 'green port' status and what funding would be available, although £170m had been made available U.K wide. The Council was interested given that it would promote economic growth, sustainability and jobs. It was anticipated that the Scottish Government would publish its prospectus in the near future and that this would be followed by a bidding process in the summer.

The committee commended the work of staff in providing support through the business support grants and other schemes and also commended the Service for looking forward through the Economic Recovery Plan. Mr Reid acknowledged the work of not only the Economic Development team but also colleagues from the Revenues team who had worked flat out to provide this support to local businesses. He noted that while this work was being taken forward work had continued to progress and develop TIF projects as well as progressing major initiatives such the Council HQ project and developing the Investment Zone package and the Falkirk Gateway. Each of these projects sent a strong message to the business community that Falkirk was open for business and continues to move forward.

The committee returned to the impact of the pandemic on tourism and on the Employment & Training Unit. In regard to the latter Mr Reid explained that it had been a particularly challenging period for the ETU. Businesses had closed down during the period, with staff laid off or furloughed and the ETU staff had been working from home. The onset of the pandemic had meant implementing new ways of working for all involved with a focus now on online support. With businesses closed due to lockdown it was difficult to bring forward employment opportunities - particularly so in the tourism and leisure sectors. Performance had been impacted although there had been referrals and starts in the year – 1,094 between March and December and trainees had accessed 119 jobs in the calendar year. The Economic Recovery Plan had included additional support for those out-with the 18-24 year old age groups. The extension of the furlough scheme had resulted in businesses deferring employment decisions until the picture was clearer. Mr Reid assured the committee that the Council was preparing and would be able to provide support and training at this point. He also added that Falkirk Council was represented, and led, on national bodies and as such was able to help shape national policy.

Decision

The Scrutiny Committee noted the performance of the Council against the priority of Enterprise within the Corporate Plan.

The committee then adjourned for 10 minutes and reconvened at 11.50 a.m. with all members present as per the sederunt.

S20. Report of the Scrutiny Panel – Pupil Equity Fund

A report by the Director of Corporate and Housing Services presenting the report by the Scrutiny Panel on its review of Pupil Equity Funding had been submitted. The convener noted that due to unforeseen circumstances neither the convener of the panel, Councillor Flynn, nor its lead officer, David Mackay had been able to attend the meeting. Given this, he proposed that consideration be deferred until the next meeting of the committee on 1 April 2021.

Decision

The Scrutiny Committee agreed to defer consideration of the item to its next meeting on 1 April 2021.