

# press release



Falkirk Council

02 November 2011

## **FALKIRK GIVEN GREEN LIGHT TO PROPOSE £52M INVESTMENT TO CREATE OVER 5000 JOBS**

Falkirk Council and its partners are one step closer in plans to launch a multi-million pound investment programme as the Scottish Government has confirmed it is through to the next stage of the Tax Incremental Finance (TIF) scheme.

Falkirk Council is one of three local authorities that have been given approval by the Scottish Government to develop proposals under the TIF model and will now work with the Scottish Futures Trust (SFT) to develop a full business case for £52m worth of investment.

The news signals a significant step in plans to launch a total infrastructure programme for the Falkirk area worth £164m that will lead to investment into key strategic road improvements, Grangemouth flood defences and site enabling works.

The TIF scheme has the potential to create over 5000 local jobs in chemicals, manufacturing, distribution and other support sectors and is anticipated to generate £372m of additional value to the Scottish economy as sites in the Falkirk and Grangemouth areas are developed over the life of the TIF. The innovative TIF measure, uses receipts from business rates in targeted locations as a means of funding infrastructure works to stimulate development and create jobs.

Councilor Craig Martin, Leader of Falkirk Council commented: "This is a very significant and important step in our plans to tap into the full potential of the Falkirk area. We believe that Falkirk is an economic powerhouse for Scotland and that a huge amount of potential for development exists through growth in our key sectors of chemicals, manufacturing and logistics. We expect that these sectors can play a major part in kick-starting Scotland's economic growth, boosting exports and creating new jobs. We will work very closely with our partners in Chemical Sciences Scotland, Scottish Enterprise, the wider business community and the Scottish Futures Trust to help realise this potential. By overcoming key infrastructure constraints these high value, job-creating industries can thrive to the benefit of the whole of Scotland."

Falkirk and Grangemouth area currently contributes over £3bn annually to the nation's economy the fourth highest in Scotland and it achieved a 70% increase in productivity over 10 years, compared to 45% for Scotland\*. Initiating the TIF proposals will enable Falkirk to contribute more economic benefits to Scotland and the Council aims to work with national organisations and agencies such as the Scottish Government, Scottish Enterprise and Scottish Transport Scotland to finalise the business case.

The successful entry was founded on the area's Economic Development strategy, *My Future's in Falkirk*, which was set up to help transform the fortunes of the area's economy. This effort reaped dividends last year when the area was awarded the *Enterprising UK, Scottish Regional Award 2010* award and the outcome of the TIF bid is testimony to the positive perception of Falkirk as a place to do business.

The funding will help to develop the area's strengths in the chemicals sector, encouraging growth and helping it become recognised at international level as a centre for research development and production excellence.

Sandy Dobbie, chairman of Chemical Sciences Scotland, said the news was a significant step in further supporting Scotland's chemicals sector and its economy as a whole. He said: "It is extremely welcome news that Falkirk Council is one of the areas to have been selected for the next stage of this funding. A third of the 8,300 manufacturing jobs in the Falkirk area are based in the Chemical Sciences sector including Grangemouth, which plays such a major role in powering the Scottish economy. So this announcement is very promising for the local area and for Scotland as a whole - especially when you consider that the chemicals sector is our second highest exporter."

*\*Slims Consulting Economic Statement 2011*

- Falkirk Council ( 02/11/2011 )