

**FALKIRK AND
GRANGEMOUTH
GROWTH DEAL**

2024

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**FALKIRK AND
GRANGEMOUTH
GROWTH DEAL
2024**

Rt Hon Ian Murray
Secretary of State for Scotland
UK Government

..... DATE

Kate Forbes
Deputy First Minister and Cabinet Secretary
for Economy and Gaelic
Scottish Government

..... DATE

Cecil Meiklejohn
Leader of Falkirk Council

..... DATE

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■ a dynamic and
■ distinctive
■ area at
■ the heart
■ of Central
■ Scotland



Executive Summary

The Falkirk and Grangemouth Growth Deal investment in innovation, places and people.

City and Growth Deals have been allocated across the UK to provide financial support to Councils to invest in infrastructure and related measures to enable sustainable, inclusive growth. As part of a shared, strategic approach, the Falkirk and Grangemouth Growth Deal is designed as a coherent package of activity to deliver new investment in the area.

A total of £100 million from the two governments will provide support to back local industries and create new opportunities for workers in the region. The £80 million Growth Deal is jointly funded from the UK and Scottish Governments, and is complemented by a further £10 million from the UK Government (Department for Energy Security and Net Zero) for future energy related projects in Grangemouth and £10 million allocated to the Greener Grangemouth programme from the Scottish Government. With Falkirk Council investing £45m and Scottish Canals investing £3.7m, the overall Growth Deal investment is £148.7m.

Over the next 30 years, it is estimated that the Growth Deal will deliver over £628 million in economic benefit, with an employment impact of 1660 net jobs across the Falkirk Council area. This results in the Growth Deal generating approximately £107 million of gross value added (GVA).

With our partners, we have developed an ambitious proposal that represents a transformative step change under two broad themes essential to the long-term success of the Falkirk area. Funding for the eleven projects and 10-year programme will be subject to final approval of business cases setting out the case for investment. These will reflect the interrelated nature of the activities, and the need for aligned delivery across the whole area to make the most of the opportunity from the Deal investment.

We have a shared ambition for the Falkirk area to reach its potential for all communities, delivering green growth, attracting new people, business, and investment. We will attract new people into our area by improving our places and enhancing the lived experience of local people, businesses, and visitors alike. Across the Deal activity we will embed opportunities to contribute to a more sustainable approach to green growth and long-term resilience. Building on the Heads of Terms, signed on 21 December 2021, the Agreement sets out an investment programme focused on two strategic themes of Innovative Industry and Creating Great Places.

We are fully committed to delivering the Deal, ensuring its economic and sustainable growth impacts are maximised. This will be achieved through our robust partnership structure, governance, and delivery arrangements.

The Deal Agreement is the statement of commitment by all parties to supporting and delivering the Falkirk and Grangemouth Growth Deal and it is underpinned by a suite of detailed documents.

“we are fully committed to delivering the Deal and ensuring its economic and sustainable growth impacts are maximised”

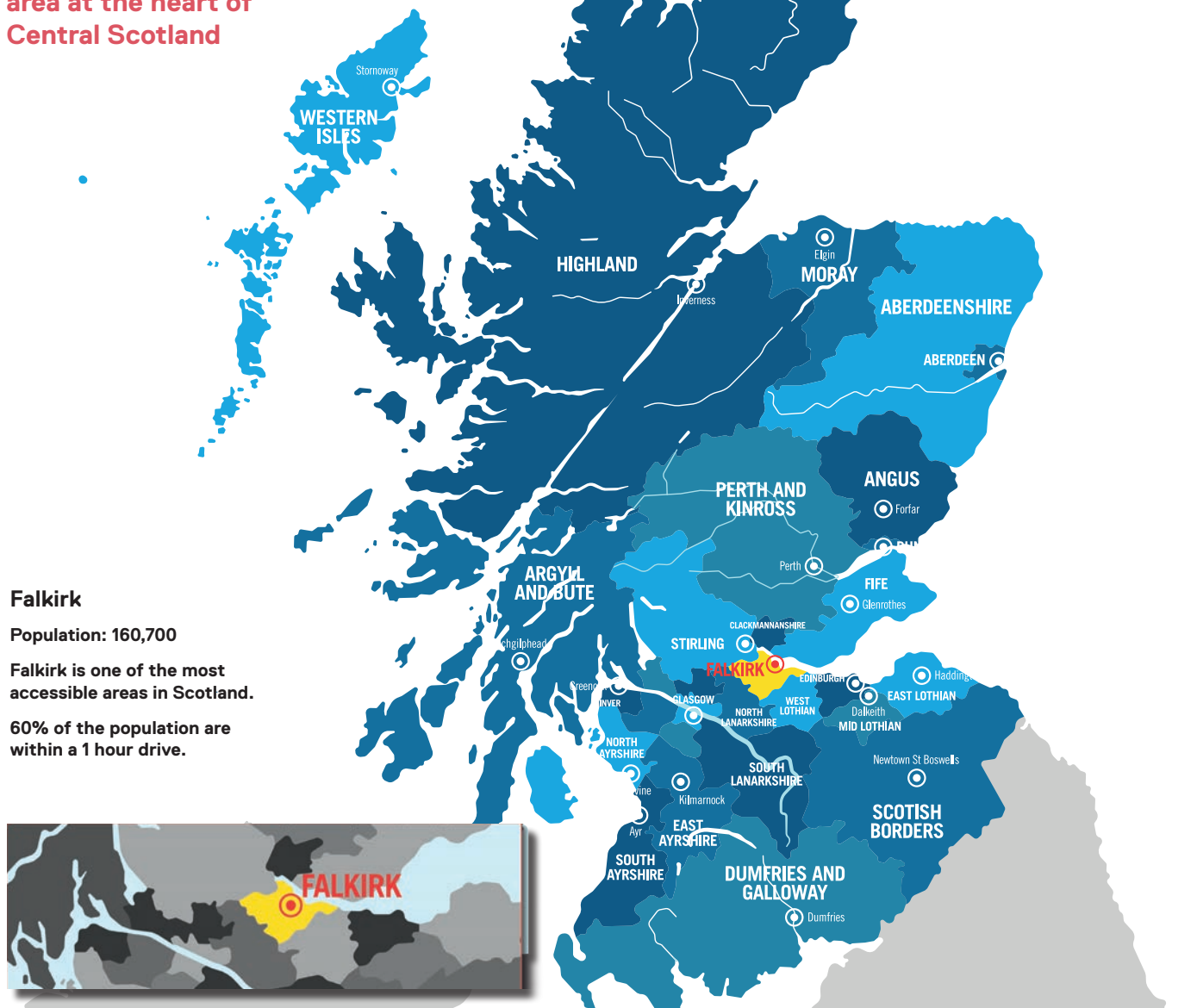
1. Introduction

Context

The Falkirk Council area is strategically located in the heart of Scotland's transport network and is situated on the Firth of Forth. Grangemouth Port is an important gateway with over 30% of Scotland's trade goods transported through the port, supporting major logistics as well as large-scale fleet and warehousing operators. Grangemouth's manufacturing and petrochemical cluster includes globally renowned companies. Falkirk's manufacturing and industrial clusters provide significant opportunities and at a time of great uncertainty, these are unique opportunities for future inclusive growth by investing in innovation, industrial infrastructure, workforce development and our communities.



Figure 1 - Falkirk
A dynamic and distinctive
area at the heart of
Central Scotland



Falkirk

Population: 160,700

Falkirk is one of the most accessible areas in Scotland.

60% of the population are within a 1 hour drive.



IRELAND

IRISH SEA

ENGLAND

Falkirk's economy performs well with the per capita Gross Value Added above the Scotland average, driven by the area's manufacturing strengths and the Port of Grangemouth. The area experiences elevated levels of industrial emissions, contaminated land, and poor health in communities, particularly in those areas surrounding the industrial sites. The socio-economic challenges in some communities in the area include population decline and large areas of significant deprivation.

Falkirk's manufacturing, distribution and industrial clusters possess the potential to provide new opportunities. Growth Deal investment in innovation sites; research and development assets; supporting a skilled workforce will accelerate the ambition for inclusive growth and transition to net zero. This transition increasingly demands a strategic approach off this critical hub of industrial and economic activity that is vital to Scotland's economy. The Growth Deal plays a pivotal role alongside other significant investment including the Forth Green Freeport, Tax Incremental Finance and Levelling Up funding. This investment will transform the industrial base as well as harnessing the net zero opportunities, transform land, accelerate innovation, and prepare for future-orientated labour market opportunities.

The impact of Covid-19 has reinforced the need for investment through this Deal. Falkirk's central location and accessibility advantages will support our area to respond, with a focus on green recovery and inclusive growth. Our response and behavioural changes such as environmental awareness and home working have laid new foundations for Falkirk to build a more resilient and robust economy.

Infrastructure presents significant challenges across the Falkirk area which we recognise will not be solved solely by the Growth Deal. Other aligned work underway across the area includes the Tax Incremental Finance Initiative, designed to boost economic growth via several local development sites that will generate significant investment and job opportunities via funding secured through non-domestic rates. In collaboration with global companies, emerging business, academia and public sector partners, the Forth Green Freeport has the potential to create significant high quality green jobs, including in areas of deprivation. It will function as a catalyst for green technologies, alternative fuels, and renewable energy manufacturing, further accelerating our net zero ambitions.

The Heads of Terms for the Falkirk and Grangemouth Growth Deal were signed with the UK and Scottish Governments on 21 December 2021 demonstrating a shared commitment to deliver the deal and ensuring economic and sustainable growth impacts are maximised. Our partnership structure and governance arrangements allow us to effectively respond to challenges and deliver for our area. The Full Deal document builds on the Heads of Terms agreement to set out more detail on how we will deliver a shared ambition for inclusive growth.



■ to deliver transformational
■ economic, inclusive, and
■ clean growth, making
■ Falkirk a smarter, greener,
■ resilient, and more inclusive
■ place, where opportunities
■ for work and quality of
■ life offer the ideal location
■ for people, business, and
■ communities to thrive



Impact of the Deal

Our programme of investment will deliver significant economic benefit for our communities and businesses. The Growth Deal represents an opportunity to build on the area's economic strengths to support innovation and growth while also investing in our places, people, and cultural and tourism assets. Over the programme's lifetime it is estimated that the Falkirk and Grangemouth Growth Deal will deliver:

- £628 million in economic benefit.
- 1660 net jobs.
- GVA of £107 million.
- more visitors to the area.
- improved connections.
- new investment across the area.
- benefits to Falkirk's citizens, both now and in the future.

In delivering the benefits, the Growth Deal Investment will address the pressing socio-economic challenges facing the area by:

- **Enable Inclusive Growth, Investment & Innovation** - Secure additional economic growth and provide opportunities to upskill local people to benefit from growth opportunities in Falkirk and across Scotland.
- **Generate new higher value jobs** - lever private sector investment and support expansion of national and international markets and key sectors.
- **Enhance Connections** - Investment in sustainable transport infrastructure, digital networks, and utilities to improve connectivity leading to strategic employment and investment opportunities regionally, nationally and internationally.
- **Enable Sustainable and Competitive Places** - Leading to strong, sustainable town centres and thriving businesses that capitalise on technologies which work for all.
- **Promote Community Inclusion** - Support inclusive growth, equality, improving community cohesion and well-being through the delivery of new cultural assets.
- **Contributing to a Low Carbon economy** - Reduce carbon emissions and support the shift towards a low carbon economy and the creation of green jobs.

The Deal is focused on unlocking the economic benefits that will achieve inclusive growth, boost productivity and deliver for our area and our people. This approach is aligned with the UK Government's Industrial Strategy which aims to create an economy that boosts productivity. The Deal also realises the ambitions of the Scottish National Strategy for Economic Transformation and the sustainable growth priorities which aim to boost competitiveness and tackle inequalities.

Our partners acknowledge and accept the importance of ensuring inclusive growth principles and sustainability ambitions are embedded across all our projects and programme. This commitment is further demonstrated in our Benefits Realisation Plan.

The following table highlights the relationship between each project in the Deal and the respective objectives of Scotland's National Strategy for Economic Transformation and the UK Industrial Strategy. The relationship to policy of both governments will be kept under review and work will continue with the PMO to ensure continual contribution and commitment will be maintained.

“ significant economic benefit for our communities and businesses ”

Figure 2 - Programme Strategic Overview

Scotland National Strategy for Economic Transformation				UK Industrial Strategy						
A Wellbeing Economy				Five foundations of productivity						
A culture of delivery				Ideas	People	Infrastructure	Business Environment	Places		
Project Title	Entrepreneurial People and Culture	New Market Opportunities	Productive Businesses and Regions	Skilled Workforce	A Fairer and More Equal Society	The worlds innovative economy	Good jobs and greater earning power for all	A major upgrade to UK's infrastructure	The best places to start and grow a business	Prosperous communities throughout UK (Including local Industrial Strategies)
Falkirk Arts Centre										
Scotlands Canal Centre										
Scotland's Art Park										
Falkirk Central Sustainable Transport Network										
Rail Station and Interchange (Hub)										
Green Cycle and Pedestrian Network										
Sub Programme										
Greener Grangemouth										
Skills Transition Centre										
Strategic Sites										
Transport, Renewables and Career Exploration Hub (TRACE)										
Future Energy Related Projects										
Grangemouth Sustainable Manufacturing Campus										
Bioeconomy Accelerator Pilot Plant (BAPP)										
Carbon Dioxide Utilisation Centre (CDU)										

Creating Great Places

Innovative Industry



- high profile
- place-based
- projects and
- investment
- programmes that
- respond to the
- unique needs of the
- Falkirk area



2. Our Approach

Strategic Approach

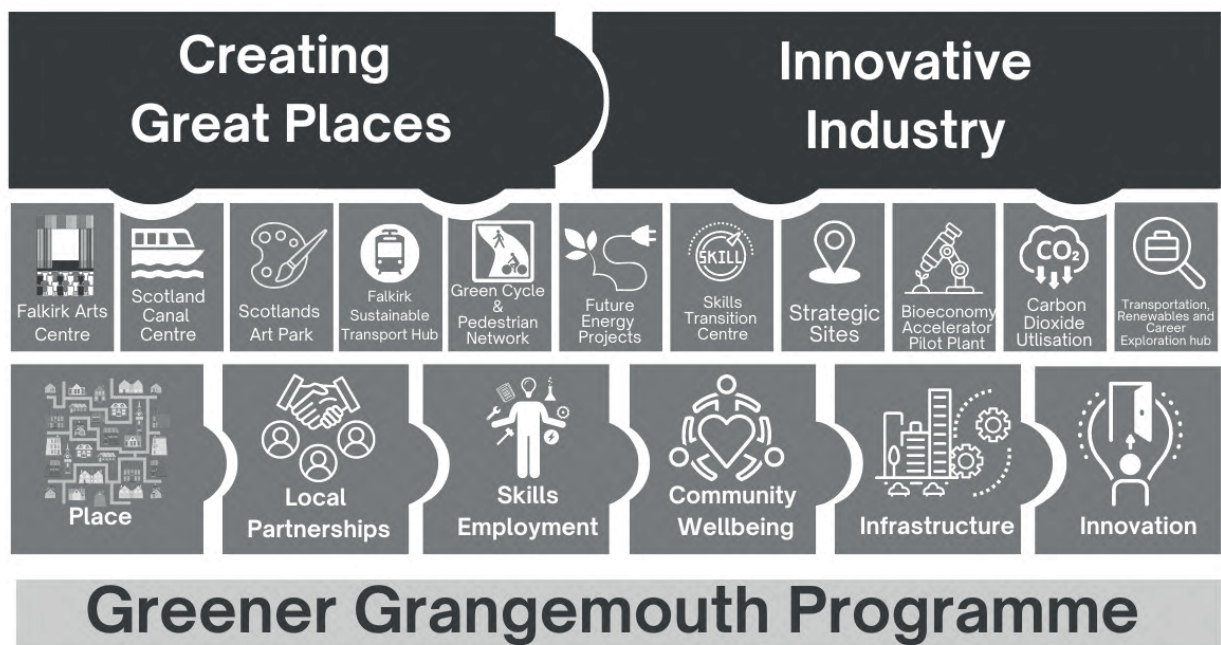
The Falkirk and Grangemouth Growth Deal has been developed as an interrelated and cohesive investment package to ensure there is a balance between high profile place-based projects and the investment programmes that respond to the unique needs of the Falkirk area. Our approach provides a consolidation of a transformational programme and projects bolstered by a portfolio of investment that allows for appropriate response and flexibility to new and emerging opportunities.

The delivery of the shared ambition for the Deal is focused on eleven projects and one programme which collectively deliver against two, mutually reinforcing strategic investment themes - Creating Great Places and Innovative Industry. It is these two themes that underpin our approach for long-term growth and resilience across our places, people, and communities across the Falkirk area.

The strategy-led approach to the development of the Falkirk and Grangemouth Deal is reflected in the diagram below.

We are committed to delivering all initiatives in alignment with Carbon Management Guidance. This will ensure that the objectives of each project focus on minimising whole-life carbon emissions within the built environment, supporting national statutory climate targets.

Figure 3 - The Falkirk and Grangemouth Growth Deal Strategy-led Approach





Investment Themes

The projects and programme within the Falkirk and Grangemouth Growth Deal will be delivered within the two agreed themes, each with inclusive and sustainable growth at their heart with the strategic ambitions embedded. The two themes of the Falkirk and Grangemouth Growth Deal.

Theme 1 Creating Great Places

The Growth Deal will invest in Creating Great Places to revitalise and regenerate Falkirk and Grangemouth to attract people to live, work and visit by:

- Investing in our towns to repurpose, connect and reinvigorate to support thriving and sustainable communities.
- We will deliver the Falkirk Arts Centre providing a strategic anchor building project that will transform the town centre's role, perception, and prospects for the years ahead.
- Introducing Scotland's new Canal Centre project to radically transform an overlooked area of the Forth and Clyde Canal into a thriving waterside centre focused on heritage skills, local employment and new commercial opportunities.
- Scotland's Art Park will connect areas along the Forth and Clyde Canal with key sites across the area supporting the currently under-utilised canal corridor. We will invest in new sustainable cultural assets and develop sustainable routes to enhance our locality, improve visitor numbers and promote active travel. Taking advantage of our cultural, industrial, and environmental heritage to promote the area as a viable and thriving place to live, work and visit.
- Improving connectivity and access to leisure, education, jobs, and services through the delivery of the Falkirk Central Sustainable Transport Network to provide a focal point for those arriving at and departing from Falkirk Town Centre by sustainable modes. A Rail Station Interchange Hub, located in the town centre, will be supported by the Green Cycle and Pedestrian Network connecting our communities via the prioritisation of pedestrian and cycle movements. This investment in place-making will significantly improve the lived experience of those who live here, work here, and visit the area.



Theme 2 Innovative Industry

Falkirk & Grangemouth and Scotland's Low Carbon Innovation Economy

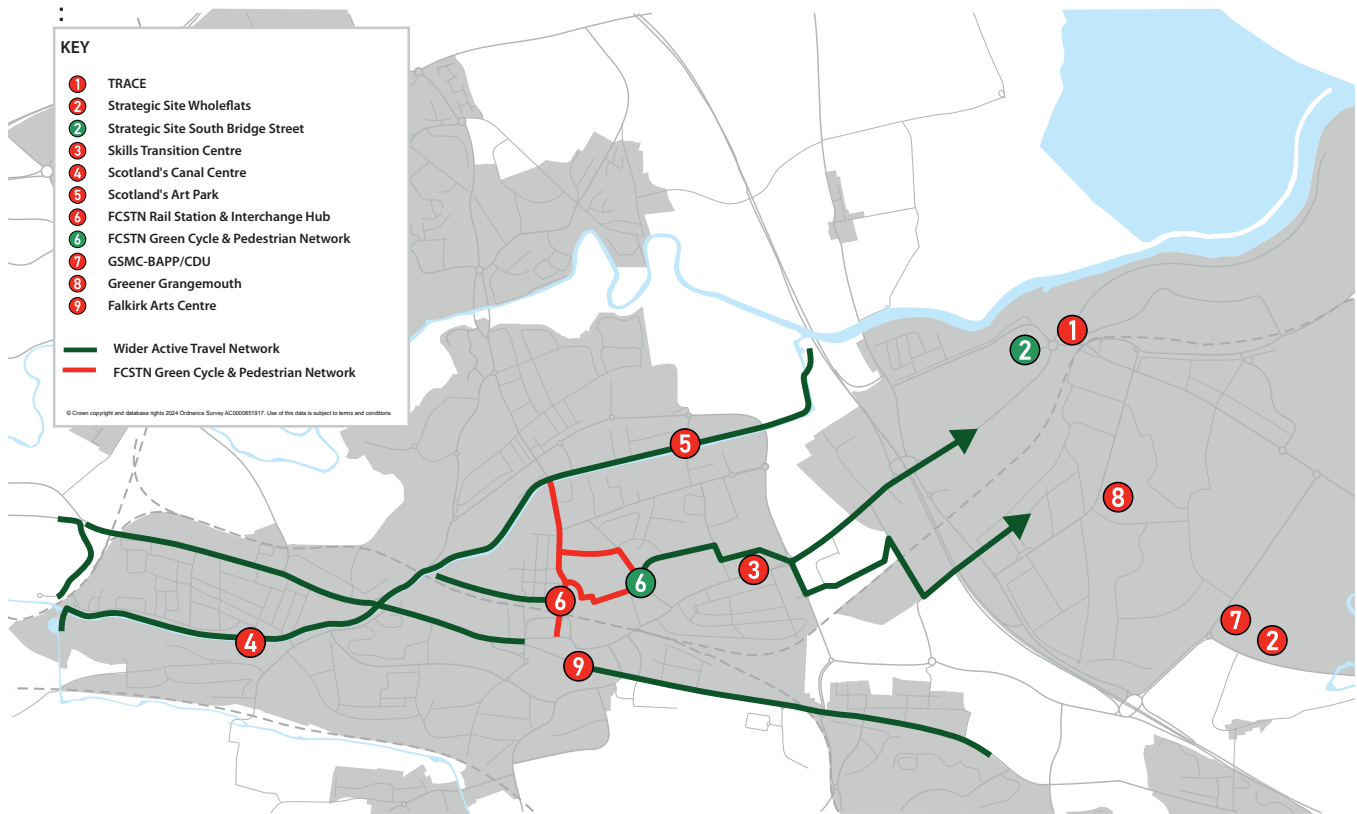
The Falkirk and Grangemouth area hosts the largest cluster of manufacturing, chemical and petrochemical businesses in Scotland. Growth Deal investment will be used to foster innovation in key sectors, commercialise new products, and provide the skills required for people to access employment by:

- Delivery of an ambitious Skills Transition Centre (STC) will bring together a broad spectrum of partners to create a focus for skills delivery behind the transition to Net Zero. It will support the current and future workforce to become resilient, agile, climate literate and fully equipped to take advantage of opportunities in our rapidly changing economy.
- Bringing forward three key Strategic Sites to support the Growth Deal investment in innovation and net zero focused economic growth and capable of hosting the Grangemouth Sustainable Manufacturing Campus projects.
- The 10-year future energy related project aims to support the Grangemouth economy, workforce and wider community as it undergoes transition and is supported by an additional £10 million of funding provided by the UK Government (Department for Energy Security and Net Zero). The Business Case development will be led by DESNZ as options for investment are considered.
- Working with industry and educational institutions to enable innovative technologies in the preliminary stages of development to be progressed, providing potential investors with assurance and confidence to accelerate commercialisation and implementation of innovative technologies. Two centres are:
 1. Bioeconomy Accelerator Pilot Plant (BAPP) to facilitate collaborations to support industrial decarbonisation work across the UK and Scotland.
 2. Carbon Dioxide Utilisation Centre (CDU) to advance testing and commercialisation of modern technologies.

Encouraging green growth through the Transportation, Renewables and Career Exploration Hub (TRACE). The TRACE hub will bring together industry and education institutions to grow local skills and support the delivery of Scotland's green growth ambitions.

The location of Growth Deal Projects is highlighted in Figure 4 below.

Figure 4 - Location Plan for Growth Deal Projects and Programme



Future energy related projects Grangemouth locations to be agreed.

3. Creating Great Places

Our places matter because they shape our identity, hold cultural and historical significance, provide spaces for social interaction, have environmental importance and contribute enormously to local, regional and national economies. The Deal will help to improve the economic performance of our area by providing investment in carefully considered projects designed to significantly improve the function, prosperity, and sustainability of the wider area.

We have a significant industry base and a diverse business core which provides the lifeblood of our economy. Creating the right conditions for business to thrive is necessary for delivering against our objectives of achieving inclusive growth, enabling innovation and skills development. Furthermore, we must be able to attract and retain local people. Our projects and programme are designed to increase the vitality and sustainability of our area and raise the profile of Falkirk as a destination. Our Place Plans will be further developed to reflect our ambitions, harness the aspirations of local people and emerging complementary projects will help to drive economic and inclusive growth for the benefit of local communities.

The Falkirk Arts Centre

The £63 million Arts Centre facility in the east end of the town centre will be supported by £3 million of funding from both UK and Scottish Governments (£6m total). Located on the vacant shopping centre site at Callendar Square, The Falkirk Arts Centre will deliver investment in the town centre and will address long-standing footfall decline. The Arts Centre is a transformational project, creating a vibrant, new venue for culture and community activity for Falkirk and the surrounding area. It will be an anchor building which will provide a stimulus for the regeneration of Falkirk town centre, boosting footfall, dwell time and inspiring investor confidence to help repurpose the town as a vibrant cultural and residential centre.

Adopting the Scottish Government's Infrastructure Investment Plan for Scotland, the Arts Centre will serve multiple functions: at its heart will be a 550-seat auditorium together with shared studio spaces, a library, a café-bar, and advice hub with civic, meeting, conference, and office space.

Scotland's Canal Centre

Led by Scottish Canals, the Scotland's Canal Centre project will utilise £4 million of Scottish Government Growth Deal investment to restore three derelict warehouses situated at Lock 16 on the Forth and Clyde Canal. The £7.7 million project will provide a new operational hub with integrated and shared collaborative working spaces and facilities to expedite enhanced initiatives for local volunteers, community partners and co-operatives. The flexible educational space will be further enhanced by providing access to the surrounding area via a community-led designed landscaped public realm space and gateway to the Forth and Clyde Canal. This project will radically transform a neglected area of the canal network into a thriving and commercially viable waterside centre focused on community participation and the development of relevant skills and increased local employment opportunities for local people.

Scotland's Art Park

This partnership project between Scottish Canals and Falkirk Council, will be supported with £3 million of Scottish Government Growth Deal investment to deliver a linear Art Park to bring a community led suite of public art interventions by way of a trail along the pathways of the Forth and Clyde Canal. The trail will connect key sites across Falkirk including the historic town centre, world renowned Kelpies, The Falkirk Wheel, and the new Rosebank Distillery to bring renewed vitality and life to the under-utilised canal corridor.

An Art Park masterplan will be advanced to provide a vision for the area that focuses on leisure, culture, active travel and enhancing the natural assets of the area to bring long-lasting environmental, health and economic benefits. This focus may lead to reduced congestion, support for new and existing business, increased visitor numbers and enhanced community well-being through access and connections to quality and sustainable outdoor spaces and local attractions. This will enhance the appeal of the area to visitors, attract enterprise and investment to the area. This focus on recreational and cultural assets will help to drive economic and inclusive growth for the benefit of local communities.



Falkirk Central Sustainable Transport Network (FCSTN)

Scottish Government Growth Deal Investment of £21 million in two interrelated projects will transform how people travel in and around Falkirk by providing new public and active travel infrastructure. The area's economic potential is constrained by access to public transport, a reliance on private car use, limited capacity, connections to key destinations and tourism assets including the new Arts Centre, education, shopping, entertainment and leisure. Together these projects will support local demand for improved active travel options, and both provide additional social and environmental benefits such as reduction in noise and air pollution and an increase in wellbeing.

1. FCSTN Rail Station and Interchange Hub

2. FCSTN Green Cycle and Pedestrian Network

On the Falkirk Grahamston site, renamed as Falkirk Central, £9 million of investment will provide an improved rail station and new interchange providing a focal point for those arriving at and departing from the town centre by sustainable modes.

The Rail Station Interchange Hub will be supported by a network of sustainable green routes which will prioritise pedestrian and cycle movements to improve connectivity between homes and places of work and visitor attractions across and out of the area.

Investment of £12 million will be allocated to the provision of green routes by way of new cycle and pedestrian pathways, covering several miles, reinforcing the connections between the two communities of Grangemouth and Falkirk, enabling accessible, low/zero carbon movement between their centres, enhanced arrival points and linking major areas of employment, visitor activity and neighbouring communities.

4. Innovative Industry

Falkirk & Grangemouth and Scotland's Low Carbon Innovation Economy

The Falkirk and Grangemouth area hosts the largest cluster of manufacturing, chemical and petrochemical businesses in Scotland. Growth Deal investment will be used to foster further innovation in key sectors to develop and commercialise recent technologies and support provision of the skills required for people to access employment. These projects have been developed with a focus on sustainable and inclusive growth and achieving the Scottish Government's Just Transition objectives and net zero targets.

Our enabling innovation projects will support Scotland's National Innovation Strategy ambitions including encouraging clusters of advanced manufacturing, net zero, and data and digital technologies. It also seeks to support Scotland's academia to become better at turning research into successful products and businesses by providing suitable sites for such innovation investments. This will drive the innovation central to the UK and Scotland's advanced manufacturing transition. The Innovative Industry programme involves the following projects:

Skills Transition Centre (STC)

Led by Forth Valley College, the project transcends the Growth Deal to bring together a broad spectrum of partners to create a focus for skills delivery behind the Just Transition to Net Zero. The Skills Transition Centre will utilise £4 million of Scottish Government Growth Deal funding (£2.5m capital) and (£1.5m revenue) in state-of-the-art equipment necessary to respond to the needs of emerging sectors and support transitioning industries including down-stream petroleum, chemicals and polymers based in the Grangemouth clusters. In the preparation of future skills development and training, investment in specialised resources including virtual reality, simulation, drones, digital classrooms, and immersive spaces. Over the next 10 years this will be accompanied by an associated skills development programme.

Strategic Sites

To address the critical shortage of development-ready strategic investment sites for business and innovation, £10 million of UK Government Growth Deal funding will be invested to improve and prepare currently unused land at three key locations. This initiative aims to attract anticipated investment in innovation-driven activities and to support the broader need for growth in Grangemouth's core industrial, chemical, and advanced manufacturing sectors, integrating cutting-edge technology and infrastructure.

This work will involve sustainable drainage, base preparation for future plant and machinery with the introduction of infrastructure such as utilities and internal roads. On completion of this essential preparation work, two of the sites are proposed to host the Grangemouth Sustainable Manufacturing Campus and other innovation investments.

Future Energy Related Project

The 10-year future energy related projects aim to support the Grangemouth economy, workforce and wider community as it undergoes transition and is supported by an additional £10 million of funding provided by the UK Government (Department for Energy Security and Net Zero). The Business Case development will be led by DESNZ as options for investment are considered.

Grangemouth Sustainable Manufacturing Campus (GSMC)

Utilising £20 million of Growth Deal capital funding, provided by UK Government (£18m) and Scottish Government (£2m) the GSMC incorporates two interlinked projects which are co-located and are centres for research and development (R&D) in Grangemouth. This will enable technologies, currently at the initial stages of development, to be assessed at a level that can provide assurance to potential investors of viability and performance, accelerating commercialisation and implementation of modern technologies. The two centres are:

Bioeconomy Accelerator Pilot Plant (BAPP): £10 million of Growth Deal funding will be used to provide a focal point of existing and developing knowledge in modern industrial biotechnology to create further modern industrial biotechnology opportunities through collaborations between industry, academia, and government stakeholders; and, to support industrial decarbonisation efforts within Scotland and the UK, while offering knowledge transfer expertise to an international client base.

A further £10 million will be utilised to develop a **Carbon Dioxide Utilisation Centre**, a UK centre for advanced CDU technology testing to help build CO2 emitters' confidence on adopting CDU technologies and, break the barriers of CDU technology providers to assess and commercialise their technologies faster.

Transportation, Renewables and Career Exploration Hub (TRACE)

A new career exploration and technology showcasing facility in Grangemouth will offer advanced simulation, virtual reality and augmented reality experiences to young people, supporting them to access local skilled employment opportunities. In addition, it will provide upskilling opportunities to those currently employed in transitioning industries. This project is supported by £10 million of capital funding provided by Scottish Government (£1m) and UK Government (£9m) and will be dedicated to propelling Falkirk towards a greener future and supporting the nation's ambitions for Net Zero.

The TRACE Hub is set to be a nexus where industry meets education and will strengthen and grow the local skills base and be a key player in the delivery of Scotland's green growth ambitions.



Greener Grangemouth Programme

The 10-year Greener Grangemouth Programme aims to put community wellbeing at the heart of Grangemouth's Just Transition and is supported by £2 million of Growth Deal revenue and an additional Scottish Government grant of £10 million.

The Greener Grangemouth Programme aims to address key social constraints in the town such as a declining population; poor health outcomes; employability needs and a perceived disconnect between the local community and the economic benefits generated by Grangemouth's industry.

With a focus on 'Healthy Net Zero Neighbourhoods,' a new Town Team directed by a separate Greener Grangemouth Board will collaborate with the communities and other stakeholders to consider and respond to climate change, health inequalities, urban decline and together establish joined up local area planning.

Addressing the impacts of significant pockets of deprivation in the town, the Greener Grangemouth Programme aims to put community wellbeing at the heart of Grangemouth's Just Transition through reinvestment to improve:

- Community assets with focus on collaborative partnerships.
- Integration of wellbeing support and services.
- Local partnerships and build community capacity.
- Skills and employment opportunities.
- Community wealth.
- Improved public spaces and public realm.

Project level business cases will be developed with support from services and partners, with oversight from the Town Team Project Board.

Individual projects within the programme will be required to submit business cases for approval by Scottish Government. These will be progressed across the lifespan of the programme.

5. Delivering the Deal



The Falkirk and Grangemouth Growth Deal is a strategic programme of investment. The UK and Scottish Governments and local partners are embarking on a new and strategic relationship that creates a lasting foundation that will transform the area over the long term. Growth Deal partners have put in place the governance and mechanisms, to enable delivery of the investment whilst recognising the need for flexibility to be able to adapt to changes and to respond to new opportunities over the life of the Deal.

Financial Summary

The two investment themes are built around our key strategic projects and investment programme. The project investments are subject to full business case approvals for each project by Falkirk Council's Executive Committee and both UK and Scottish Governments. Business case information must satisfy the relevant governments that the proposals are feasible, sustainable, value for money and will deliver returns on investment. The governments must also be satisfied that the business cases meet HM Government's subsidy control requirements. The Deal Agreement does not form a legally binding contract.

Investment of £100 million from the UK and Scottish Government includes £10 million for the Greener Grangemouth programme from Scottish Government, this will be profiled across the Deal. The UK Government commitment for an additional £10 million for the future energy related projects will be considered separately by DESNZ to ensure the maximum benefits are delivered.

Falkirk Council and other key stakeholders have considered a range of project delivery aspects including, costs, risk, timescales and compatible funding sources to build and progress the projects within the Falkirk and Grangemouth Growth Deal Programme to effectively and efficiently deliver the maximum benefits.

The initial financial summary of the Deal is outlined in Figure 5. This presents the funding profile associated with the ten projects and the Greener Grangemouth programme within the Falkirk and Grangemouth Growth Deal including additional match funding support and the split between capital and revenue financial support.

Figure 5 - Financial Summary

Project	UK Government			Scottish Government			Scottish Government Greener Grangemouth Energy Projects			Growth Deal funding Element		
	Growth Deal	Government Growth Deal	Falkirk Council Funding	3rd Party Funding	Falkirk Council Funding	3rd Party Funding	Government Growth Deal	Government Growth Deal	UK Gov Future Energy Projects	Growth Deal Total	Revenue	Capital
Falkirk Arts Centre	£3.0m	£3.0m	£45.0m	£12.5m ⁶	£45.0m	£12.5m ⁶	-	-	-	£6.0m	-	£6.0m
Scotland's Canal Centre	-	£4.0m	-	£3.7m	-	£3.7m	-	-	-	£4.0m	-	£4.0m
Scotland's Art Park	-	£3.0m	-	-	-	-	-	-	-	£3.0m	-	£3.0m
Falkirk Central Sustainable Transport Network												
Rail Station Interchange Hub	-	£9.0m	-	-	-	-	-	-	-	£9.0m	-	£9.0m
Green Cycling Pedestrian Network	-	£12.0m	-	-	-	-	-	-	-	£12.0m	-	£12.0m
Skills Transition Centre												
Skills Transition Centre	-	£4.0m	-	£4.4m ⁶	-	£4.4m ⁶	-	-	-	£4.0m	£1.52m	£2.48m
Strategic Sites												
Strategic Sites	£10.0m	-	-	£1.5m ⁶	-	£1.5m ⁶	-	-	-	£10.0m	-	£10.0m
Grangemouth Sustainable Manufacturing Campus												
BAPP ¹	£9.0m	£1.0m	-	-	-	-	-	-	-	£10.0m	-	£10.0m
CDU ²	£9.0m	£1.0m	-	£0.5m ⁶	-	£0.5m ⁶	-	-	-	£10.0m	-	£10.0m
TRACE ³	£9.0m	£1.0m	-	-	-	-	-	-	-	£10.0m	-	£10.0m
Grangemouth												
Greener Grangemouth	-	£2.0m	-	-	-	-	£10.0m ⁴	-	-	£2.0m	£2.0m	-
Future Energy Related Projects	-	-	-	-	-	-	-	£10.0m	-	-	-	-
Total	£40m	£40m	£45.0m	£22.6m	£45.0m	£22.6m	£10.0m	£10.0m	£10.0m	£80.0m ⁵	£3.52m	£76.48m

1. Bioeconomy Accelerator Pilot Plant
2. Carbon Dioxide Utilisation Centre
3. TRACE - Transport, renewables and Career Exploration Hub.
4. Additional £10m capital provided out with the programme by Scottish Government
5. Total Falkirk and Grangemouth Growth Deal Government Investment
6. Unsecured Funding



Procurement and Subsidy Control

Each project within the Growth Deal has its own individual procurement strategy created under Falkirk Council and Scottish Government policies. Falkirk Council's Procurement Strategy outlines the Council's overall procurement approach with a specific focus on regulated procurements. The Growth Deal programme is aligned with the Council's business plan 2022-2027, Economic Strategy and Recovery plan.

Falkirk Council's mission statement for procurement is as follows: "By striking a balance between cost, quality and sustainability, we endeavor to achieve high value for money and deliver benefits through the implementation and management of contracts."

Following introduction of the Subsidy Control Act, Falkirk Council has set out a series of tests also known as gateways, which must be considered in determining whether a grant awarded to a project complies with the requirements of UK subsidy control law. Falkirk Council has considered each project against these Gateways with further detail given in each Outline Business Case (OBC).

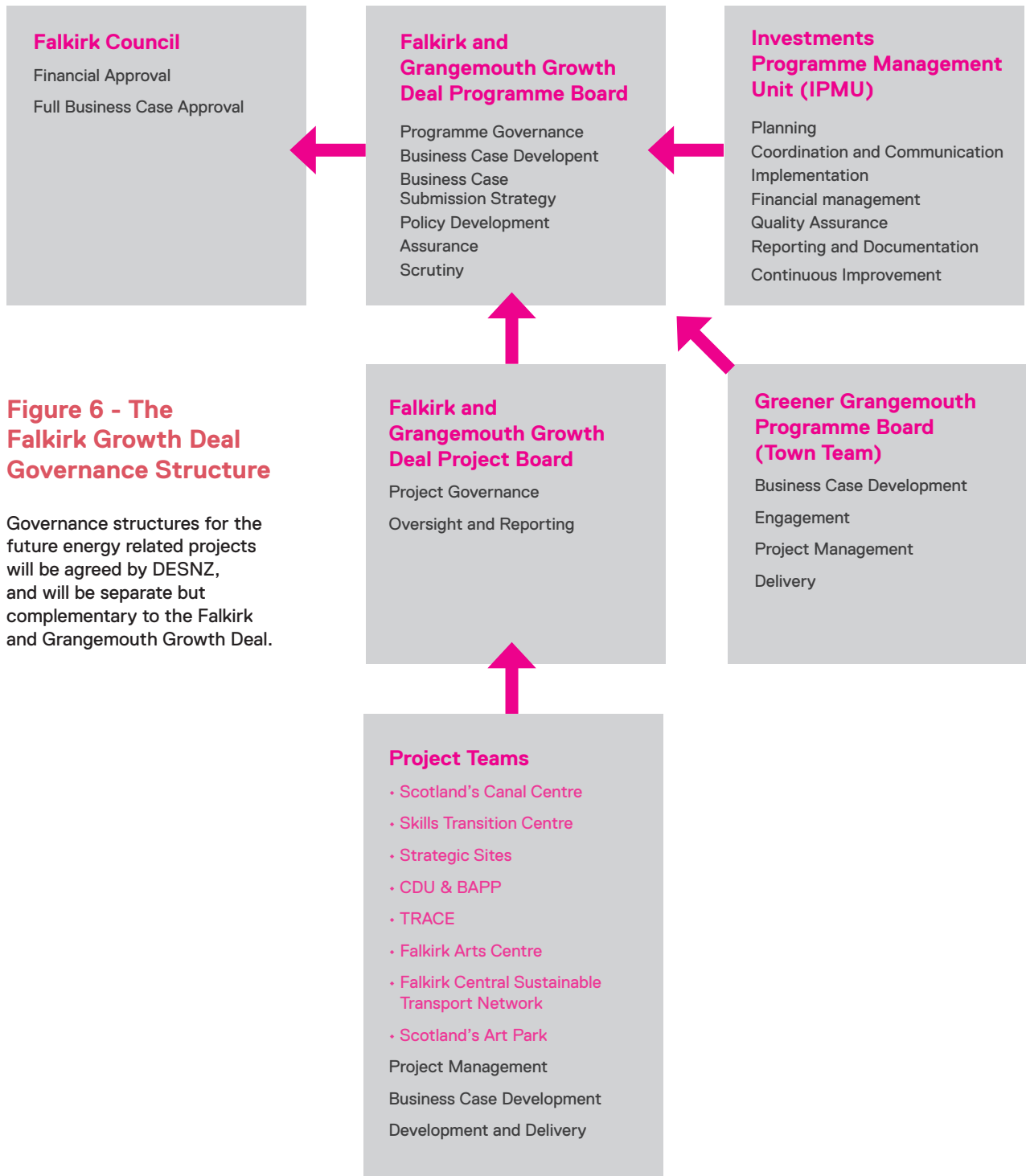


Figure 6 - The Falkirk Growth Deal Governance Structure

Governance structures for the future energy related projects will be agreed by DESNZ, and will be separate but complementary to the Falkirk and Grangemouth Growth Deal.



Governance

Each project and programme have their own governance structure which is evidenced in detail in each individual OBC. These separate governance structures emphasise the inclusion and development of a project board along with any separate arrangements needed to deliver the project. These all feed into the governance structure shown in Figure 6.

The Investment Programmes Management Unit (IPMU) will provide support to the Programme Board and day-to-day management of the Growth Deal to ensure the proper use of public funds, best value and focus on delivery.

The Falkirk and Grangemouth Growth Deal Projects Board will support the Growth Deal Programme Board and is responsible for steering the individual Growth Deal projects.

The Boards are comprised of delivery partners including Ineos, Forth Ports, Scottish Canals, Forth Valley College, CVS, Forth Valley Chamber of Commerce, Scottish Futures Trust, and Scottish Enterprise.

A Communications Group has been established, bringing together key partners and local stakeholders. This group will develop and manage the communications and engagement strategies to support the objectives of the Falkirk and Grangemouth Growth Deal and other investment programmes.

The Greener Grangemouth Programme Board is shown as a separate strand as it will deliver a programme of capital interventions that are complimentary to the Growth Deal. Revenue funding has been allocated to this programme via the Growth Deal to support the Greener Grangemouth programme. The board will oversee and manage this programme.

The £10 million additional UK Government investment will deliver future energy related projects that are complementary to the Growth Deal themes and governance structures.

Accountable Body - Falkirk Council has the role of accountable body as regards both the Scottish Government and UK Government funding for the Growth Deal. As the accountable body the Council will enter into financial and legal agreements with both governments in respect of the Growth Deal.



Risk Strategy

A programme risk register has been established to support the Growth Deal process, identify risks at programme level and capture any individual project risks. Falkirk Council have developed a Risk Management Assurance Policy and Framework which provides further detail on the management of the risks found in the Falkirk and Grangemouth Growth Deal. This framework outlines the approach to risk management from Falkirk Council which includes a risk management reporting framework.

The primary programme risks include financial limitations, timescales, legal obligations, and political support.

6. Monitoring and Evaluation



To assess progress against the milestones set out in the projects' approved business cases, the Falkirk and Grangemouth Growth Deal IPMU will produce quarterly risk and performance monitoring reports outlining performance against the milestones highlighted in the Implementation Plan.

An overall programme management risk and performance monitoring report will be reviewed by the Board every quarter. There will be an Annual Conversation and Annual Report to highlight progress and the overall impact the Falkirk and Grangemouth Growth Deal is making towards the agreed inclusive economic growth outcomes.

Project Leads will provide monthly updates to the IPMU on progress. Quarterly performance meetings between the IPMU and Government representatives will update on project progress.

Understanding the impact of the Deal beyond the delivery of the direct outputs and outcomes set out in the Grant Funding Agreements is an important part of achieving the aspirations of the Deal. All projects, programmes and the overall Deal will be part of our approach to evaluation. As outlined above, all projects are expected to provide a final report evaluating the performance against agreed baselines and subsequent outputs and outcomes.

7. Benefits Realisation



Falkirk Council's approach to the benefits realisation is detailed in the Growth Deal Benefits Realisation Plan. The Plan has been developed through collaboration with the partners and project leads and in consultation with both Governments. It is an important document for the Growth Deal as it demonstrates to local, regional and national stakeholders how outputs, outcomes and impacts results from Growth Deal investments which will be measured and reported.

8. Stakeholder Management



We have established a Communications Group and with our partners, we will develop and manage the Communication and Engagement Strategy to support the Falkirk and Grangemouth Growth Deal and other investment projects.

The Communications and Engagement Strategy provides a guiding framework to ensure our communications efforts are purposeful, targeted, and impactful. They support the complexities of all communication channels to provide clarity of message, targeted audience reach and to building strong relationships with communities and investors alike.

Full detail can be found in the full plan detailed in Annex 4.

9. Programme Schedule

Falkirk Council, as lead of the Falkirk and Grangemouth Growth Deal, has presented the Growth Deal projects and the Greener Grangemouth Programme timeline, outlined in the schedule (Page 31/34, Figure 7).

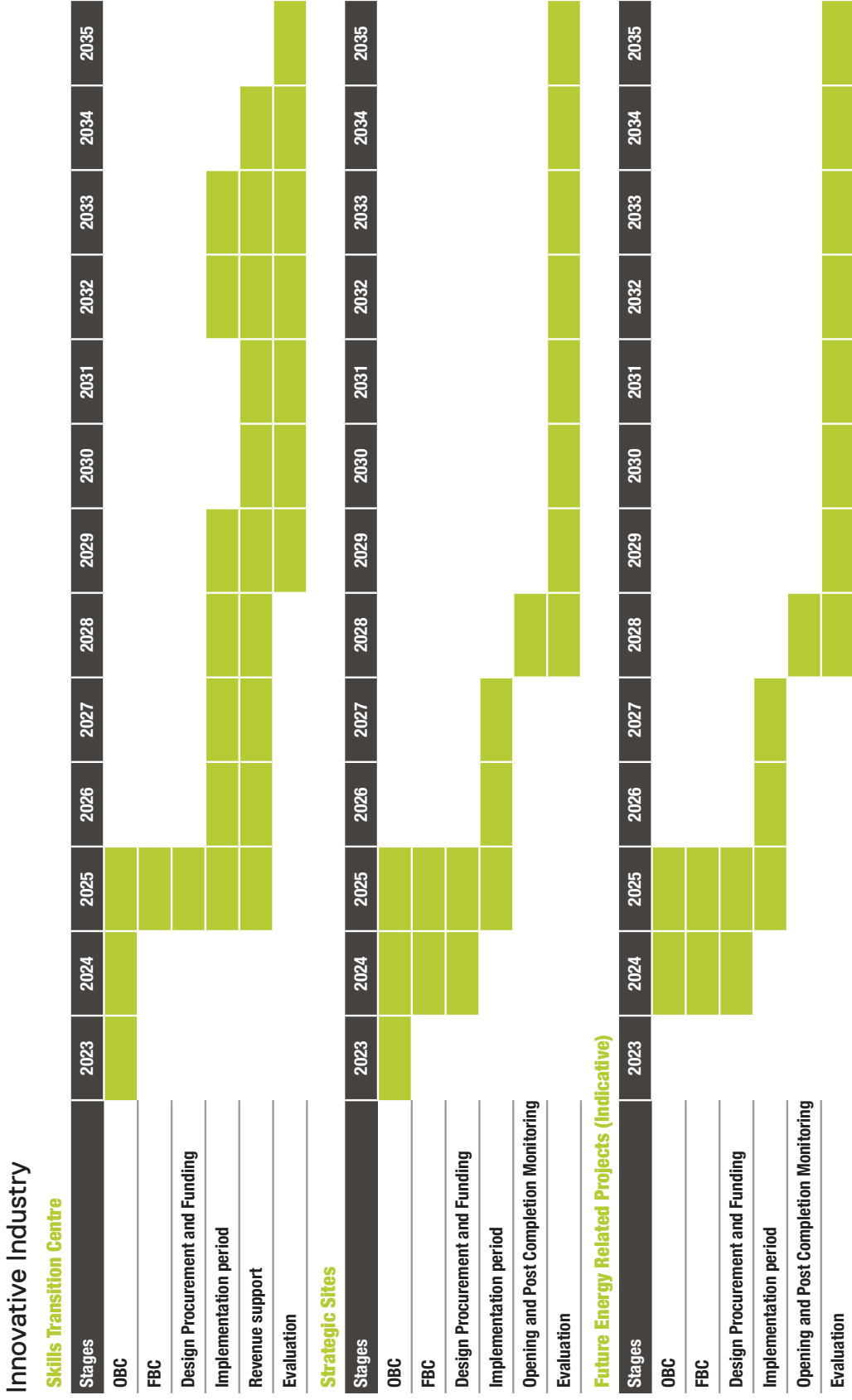
The programme will be subject to further refinement and detail as projects develop Full Business Cases.

Details on the programme schedule for future energy related projects will be agreed in due course with DESNZ.



Figure 7 - The Falkirk and Grangemouth Growth Deal Programme Schedule

Innovative Industry



Grangemouth Sustainable Manufacturing Campus (BAPP/GDU)

Stages	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
OBC													
FBC													
Design Procurement and Funding													
Implementation period													
Opening and Post Completion Monitoring													
Evaluation													

Training, Renewables and Career Exploration Hub (TRACE)

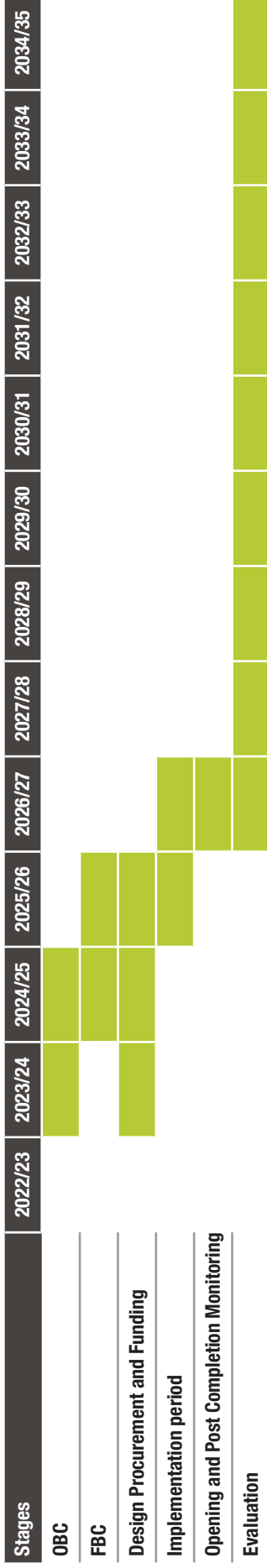
Stages	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
OBC													
FBC													
Design Procurement and Funding													
Implementation period													
Opening and Post Completion Monitoring													
Evaluation													

Creating Great Places

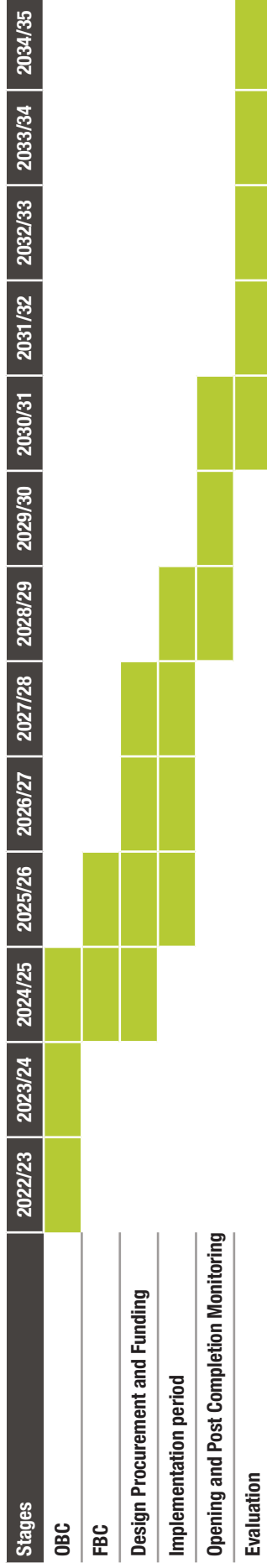
Falkirk Arts Centre



Scotland's Canal Centre



Scotland's Art Park



Falkirk Central Sustainable Transport Network

Stages	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
OBC													
FBC													
Design Procurement and Funding													
Implementation period													
Opening and Post Completion Monitoring													
Evaluation													

Greener Grangemouth

Stages	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
OBC													
FBC													
Design Procurement and Funding													
Implementation period													
Opening and Post Completion Monitoring													
Evaluation													



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FALKIRK COUNCIL

