Falkirk and Grangemouth Growth Deal

Annual Report 2025/26



HM Government

Scottish Government
Riaghaltas na h-Alba

FALKIRK COUNCIL

Foreword

We are pleased to present the first Annual Performance Report for the Falkirk and Grangemouth Growth Deal (FGGD) on behalf of Falkirk Council and our partners. This report marks an important milestone, providing the first formal update on progress since the Full Deal was signed in November 2024 and setting a transparent baseline for future annual reporting.

FGGD represents a major long-term investment in the people and places of Falkirk and Grangemouth. It has been developed to respond to significant economic change, particularly as traditional industries adapt to new environmental standards and evolving markets. While these changes present challenges, they also create opportunities to build a more resilient, inclusive and sustainable local economy.

Working alongside the UK and Scottish Governments and a wide range of public, private and third-sector partners, Falkirk Council is committed to ensuring that FGGD delivers real benefits for local communities. The programme forms part of a wider package of investment and regeneration activity in the area, including the Forth Green Freeport, the Falkirk Tax Incremental Financing programme and the work of the Grangemouth Future Industries Board.

FGGD is supported by a £178 million funding package, including £100 million from the UK and Scottish Governments. In its first 18 months, the programme has made positive early progress, with two projects now in delivery. The Skills Transition Centre at Forth Valley College is already supporting workforce transition and skills development, while construction is underway at Lock 16 – Scotland's Centre for Traditional and Canal Skills.

Community engagement remains central to the Council's approach. Over the past year, extensive consultation has informed projects such as the Falkirk Arts Centre and the Greener Grangemouth programme, ensuring that local voices are reflected in the development of long-term investment plans. Strong public interest in projects across the programme demonstrates the importance of inclusive, place-based regeneration.

This report provides a clear snapshot of progress to date, alongside an honest assessment of the challenges encountered during the first phase of delivery. While the economic environment is continually evolving, Falkirk Council remains confident that FGGD will continue to play a vital role in supporting jobs, skills development, regeneration and sustainable growth for the area in the years ahead.



Cllr Meiklejohn
Leader Falkirk Council



Kenneth Lawrie
Chief Executive

Contents

Foreword 2
Our Deal 5
Geographic Locations 10
Financial Statement 12
Governance and Audit 16
Benefits Realisation 21
Progress To Date 27
Communications 43
Reflections 46
Year Ahead 49
Glossary 51



Picture: @SCOTDRONE

Our Deal



Picture: @SCOTDRONE

Our Deal

The Falkirk and Grangemouth Growth Deal (FGGD) is a long-term investment programme designed to support economic growth, create jobs and improve quality of life across the Falkirk Council area. Backed by significant funding from the UK Government, Scottish Government, Falkirk Council and a range of public and private partners, FGGD represents a shared commitment to the future of the region.

FGGD sets out a 10-year programme of investment aimed at strengthening local communities, supporting businesses and preparing the area for future economic change. It focuses on unlocking new opportunities, addressing long-standing challenges and supporting Scotland's transition to a low-carbon economy, particularly in areas affected by industrial change.

Delivery of FGGD is organised around two main strategic themes:

1. **Creating Great Places**, which focuses on regenerating towns and neighbourhoods, investing in culture and heritage, improving sustainable transport and enhancing the places where people live, work and visit.
2. **Innovative Industry**, which supports skills development, industrial transition, innovation and low-carbon technologies, helping to create high-quality jobs and attract new investment.

Together, these themes support inclusive growth, improve connectivity, strengthen community wellbeing and help ensure that Falkirk and Grangemouth remain competitive and resilient in a changing economic landscape.

FGGD brings together a portfolio of projects that reflect local priorities while contributing to regional and national economic objectives. By working in partnership and investing for the long term, the FGGD aims to deliver lasting benefits for residents, businesses and future generations.

The following programme level outputs were identified at Full Deal signing in 2024 (Figure 1).

Figure 1 Anticipated Growth Deal Outputs



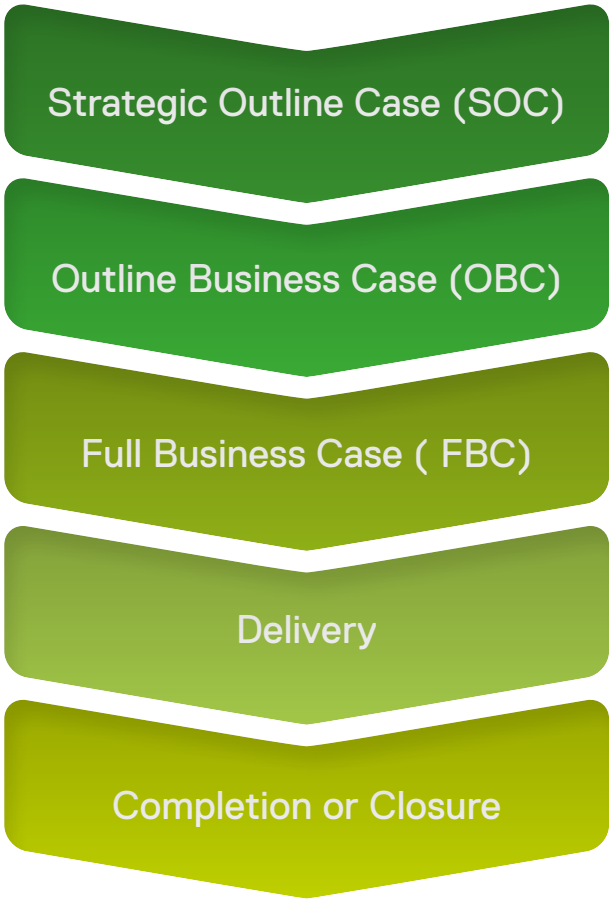
The projects that make up the FGGD are summarised in Table 1 below. Greener Grangemouth is a separate programme within the FGGD and is therefore slightly different from the individual projects. It is a coordinated set of projects and supporting activities designed to deliver strategic outcomes and long-term benefits that could not be achieved by projects in isolation.

Each project typically follows the standard HM Treasury Green Book business case lifecycle (Figure 2), and the current status of each project within this process is shown.

Table 1 Overview of Growth Deal Projects

Project	Theme	Value	Lifecyle Stage
Falkirk Arts Centre	Creating Great Places	£69.8m	OBC
Lock 16 - Scotlands Centre for Traditional and Canal Skills	Creating Great Places	£12.9m	Delivery
Falkirk Central Sustainable Transport Network	Creating Great Places	£21m	OBC
Scotlands Art Park	Creating Great Places	£3m	OBC
Skills Transition Centre	Innovative Industry	£8.68m	Delivery
Transportation, Renewables and Career Exploration Hub (TRACE)	Innovative Industry	£10m	OBC
Strategic Sites (2 Projects - South Bridge Street and Wholeflats)	Innovative Industry	£11.49m	OBC
Grangemouth Sustainable Manufacturing Campus (GSMC)	Innovative Industry	£20m	BJC
Grangemouth Future Energy Related Projects	Innovative Industry	£10m	Delivery
Greener Grangemouth Programme • Just Transition Community Engagement Post	Creating Great Places	£11.85m £0.15m	OBC Delivery

Figure 2 Business Case Lifecycle



FGGD was signed in November 2024, and this Annual Report summarises the progress made during the first 18 months of delivery, reflecting activity and performance up to the end of the 2025/26 financial year.

Geographic Locations

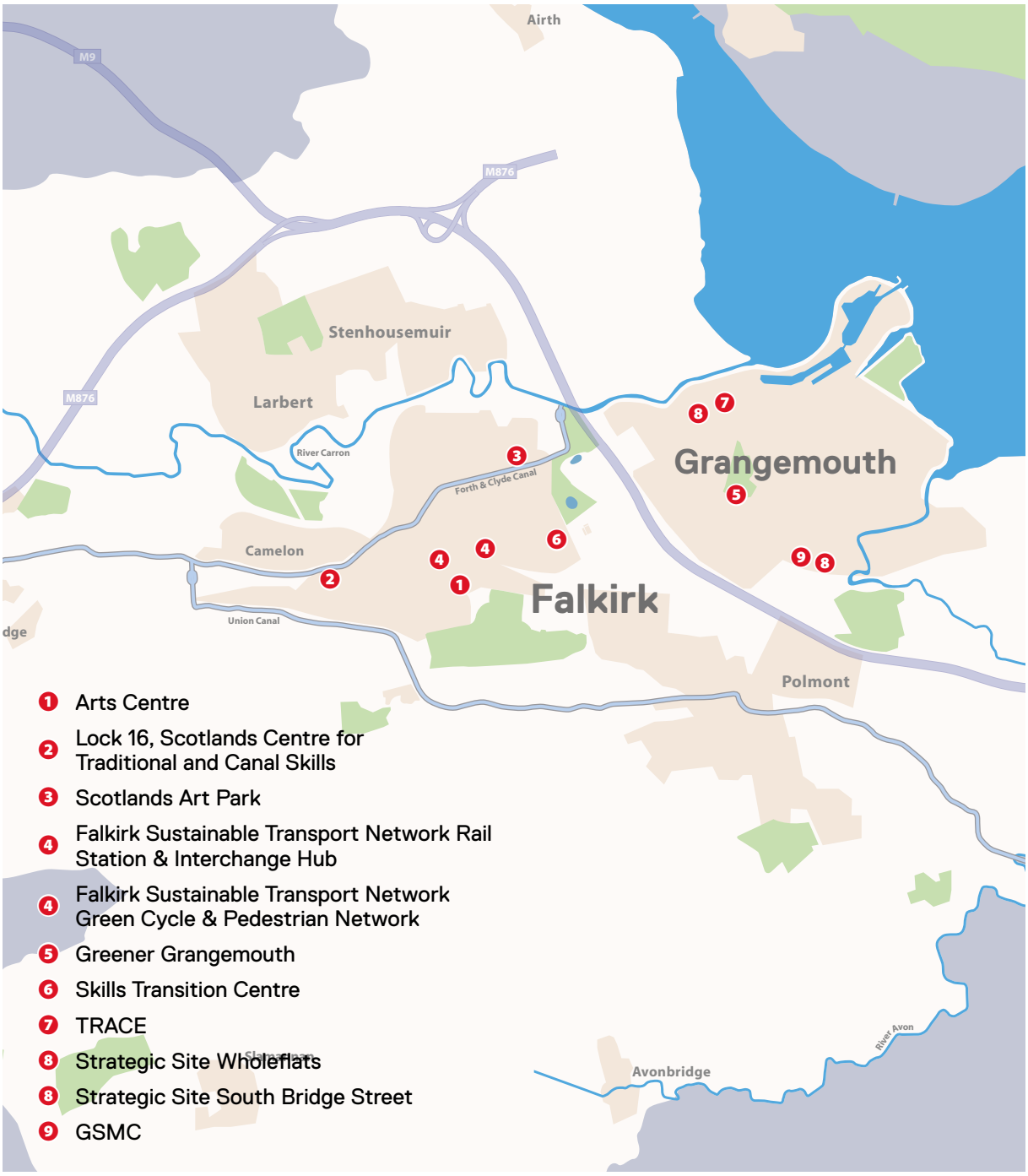


Picture: @SCOTDRONE

Geographic Locations

Our Growth Deal covers both the Falkirk and Grangemouth areas. The geographical location of each project is shown in Figure 3 below, illustrating how investment is distributed across FGGD area.

Figure 3 Project Map



Financial Statement



Financial Statement

At Full Deal signing in November 2024, the FGGD comprised ten projects and one programme, collectively designed to deliver against two mutually reinforcing strategic investment themes. The initial investment totalled £80 million, split evenly between the UK Government (£40 million) and the Scottish Government (£40 million). In addition, the Scottish Government committed a further £10 million of capital funding to support the Greener Grangemouth Programme and the UK Government provided £10 million for the Grangemouth Future Energy Project, bringing the total Full Deal Government funding to £100 million. Falkirk Council committed £45 million to FGGD, and when combined with other third-party contributions the total value of FGGD at that point was £149 million.

Since Full Deal signing, additional third-party funding has been successfully secured by project leads working in partnership with Falkirk Council IPMU. This includes additional funding for Lock 16 - Scotland's Centre for Traditional and Canal Skills project, secured through Scottish Canals, the National Lottery Heritage Fund and Historic Environment Scotland. Falkirk Council has also increased its funding commitment to the Arts Centre project.

This additional investment has enabled projects to enhance the scope and quality of their proposals and is expected to deliver improved outcomes for local communities. As a result, the overall value of the FGGD has increased to £178 million. Table 2 shows the Financial Summary by project for FGGD, based on the most up-to- date financial information.

Table 2 Financial Summary by Project

	Projects	Project Lead	UK Govt Grant	Scottish Govt Grant	Total Govt Grant	Partner Investment	Total Project Investment
			£'000	£'000	£'000	£'000	£'000
Creating Great Places	Falkirk Arts Centre	Falkirk Council	3,000	3,000	6,000	63,900	69,900
	Lock 16 - Scotlands Centre for Traditional and Canal Skills	Scottish Canals		4,000	4,000	8,904	12,904
	Scotlands Art Park	Falkirk Council		3,000	3,000		3,000
	Falkirk Central Sustainable Transport Network						
	Rail Station Interchange Hub	Falkirk Council		12,000	12,000		12,000
	Green Cycle and Pedestrian Network	Falkirk Council		9,000	9,000		9,000
	Programme						
	Greener Grangemouth (Capital)	Falkirk Council		10,000	10,000		10,000
	Greener Grangemouth (Revenue)	Falkirk Council		1,850	1,850		1,850
	Just Transition	Falkirk Council		150	150		150
Innovative Industry	Projects						
	Skills Transition Centre (Capital)	Forth Valley College		2,476	2,476		2,476
	Skills Transition Centre (Revenue)	Forth Valley College		1,524	1,524	3,983	5,507
	Strategic Sites						
	Wholeflats	Falkirk Council	10,000		10,000	1,468	11,468
	South Bridge Street	Falkirk Council			-		-
	Transport, Renewable and Career Exploration Hub	Forth Ports	9,000	1,000	10,000		10,000
	Grangemouth Sustainable Manufacturing Campus	Scottish Enterprise	18,000	2,000	20,000		20,000
	Side Project						
	Grangemouth Future Energy Related Projects	UK Government (DESNZ)	10,000		10,000		10,000
	Total Funding		**50,000**	**50,000**	**100,000**	**78,255**	**178,255**

In line with the conditions set out in the FGGD Programme, projects may only draw down Growth Deal funding once their Full Business Cases have received approval from both Governments and Falkirk Council.

Within the financial year 2025/26, two projects achieved Full Business Case approval: the Skills Transition Centre and Lock 16. Of these, only the Skills Transition Centre submitted claims against Growth Deal funding during the year.

The Lock 16 project did not draw down Growth Deal funding in this period, as alternative partnership funding was required to be utilised first due to time limited availability criteria attached to that funding source.

Within the Greener Grangemouth programme, the Just Transition Community Engagement and Participation Manager has been appointed, with associated salary costs incurred. Also, the Grangemouth Future Energy Related Projects has utilised £1 million of funding in its first year of operation.

Governance and Audit



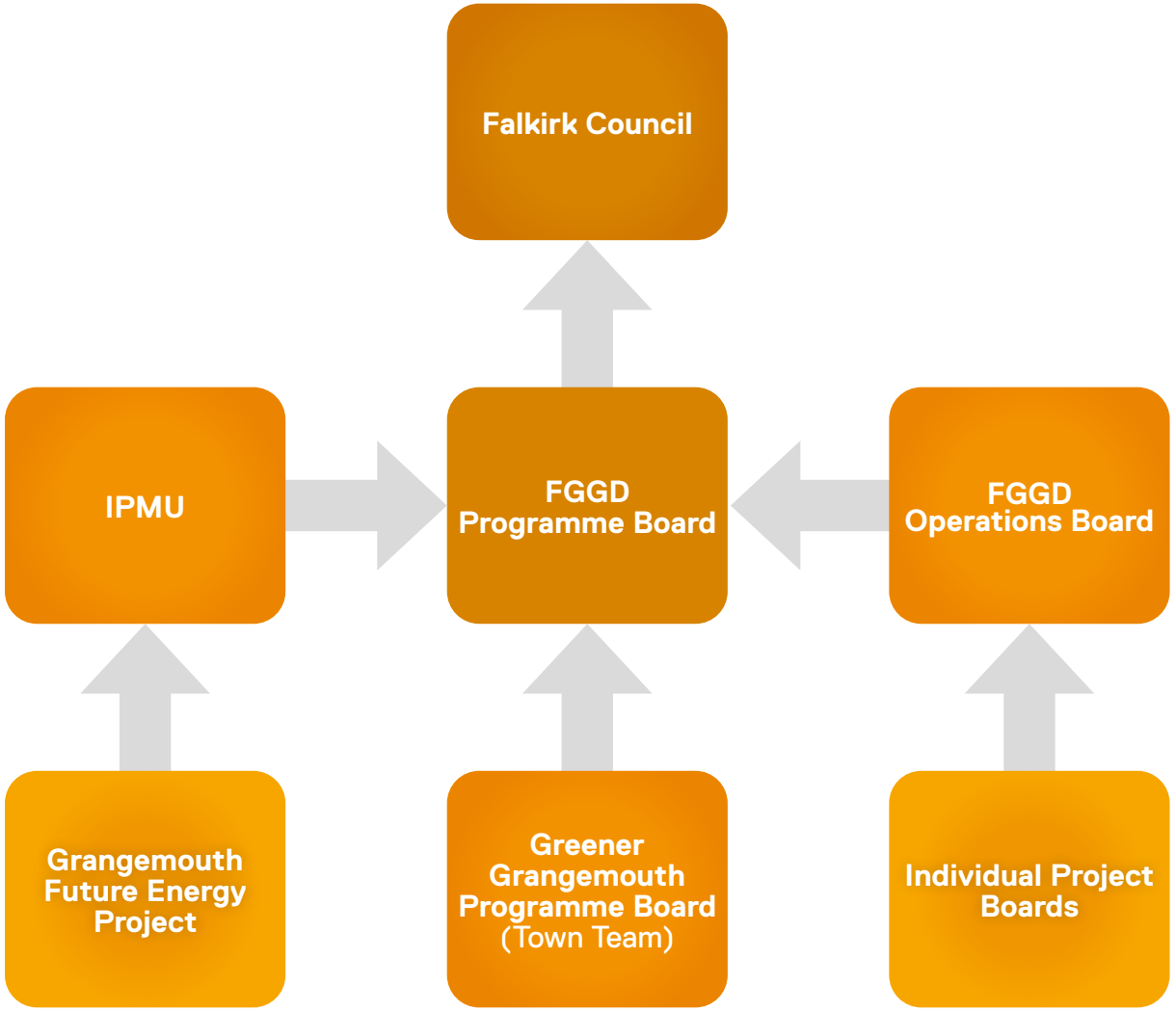
Governance and Audit

The diagram below summarises the current governance structure of the FGGD. Governance arrangements are subject to regular review to ensure they remain fit for purpose, enabling effective scrutiny and endorsement through the Board and Committee structure while supporting the timely and efficient delivery of FGGD.

Robust governance is particularly critical given the pace of activity, with several projects now entering delivery and the requirement to achieve successful completion within the agreed funding periods.

A governance review undertaken during the past year identified a number of enhancements designed to strengthen oversight and delivery confidence. These included the appointment of a Vice Chair to the Programme Board, revised reporting arrangements with Project Managers now routinely attending Programme Board meetings, and the introduction of change control and variation control processes. Furthermore, standardised dashboard reporting processes have been embedded within the programme. Collectively, these measures have strengthened the interface between projects and the Programme Board, enabling enhanced scrutiny, improved assurance, and more robust forecasting of project performance.

Figure 5 Falkirk & Grangemouth Growth Deal Governance Structure



Falkirk Council
- Financial Approval
- Full Business Case Approval

Falkirk and Grangemouth Growth Deal (FGGD) Programme Board
- Programme Governance
- Business Case Development
- Outline Business Case Approval
- Policy Development
- Assurance
- Scrutiny

Investment Programme Management Unit (IPMU)
- Governance
- Finance
- Programme Development support
- Compliance
- Process Management

Grangemouth Future Energy Project
- Just Transition Community Project (CVS)

Greener Grangemouth Programme Board (Town Team)
- Business Case Development

Falkirk and Grangemouth Growth Deal (FGGD) Operations Board
- Project Governance
- Oversight and Reporting

Individual Project Boards
- Scotland's Canal Centre
- Skills Transition Centre
- Grangemouth Sustainable Manufacturing Campus
- Falkirk Arts Centre
- Falkirk's Sustainable Transport Network
- Greener Grangemouth Projects
- TRACE
- Project Management, Development and Delivery

Governance Responsibilities

The main responsibilities of each governance body within the FGGD are summarised below.

Falkirk and Grangemouth Growth Deal Programme Board

The FGGD Programme Board is an advisory board that supports Falkirk Council in the delivery of FGGD. It provides senior leadership, strategic oversight, and scrutiny, ensuring effective coordination across partner organisations. The Board plays a key role in setting strategic direction, endorsing business cases, and overseeing overall programme performance.

The Programme Board is made up of senior representatives from FGGD's strategic partners, ensuring a strong partnership approach and collective accountability. Membership comprises:

- Falkirk Council Governance (Chief Executive)
- Falkirk Council Programme Management Lead (Director of Place)
- Falkirk Council Accountable Body (Section 95 Officer)
- Forth Valley College
- INEOS O&P Grangemouth
- Scottish Futures Trust
- Forth Ports
- Scottish Enterprise
- Forth Valley Chamber of Commerce
- Scottish Canals
- CVS (Falkirk Third Centre Interface)

Falkirk and Grangemouth Growth Deal Operations Board

FGGD Operations Board brings together key strategic and project delivery partners to provide operational oversight and support effective project delivery. Membership includes organisations such as Scottish Canals, Historic Environment Scotland, Forth Ports, and Scottish Enterprise, alongside national agencies where appropriate, including Skills Development Scotland, Scottish Futures Trust, SEStran, and VisitScotland.

The Operations Board is responsible for project-level decision-making, monitoring progress, managing risks and issues, and providing structured reporting to FGGD Programme Board. It plays a critical role in translating strategic objectives into deliverable outcomes.

Greener Grangemouth Programme Board (Town Team)

The Greener Grangemouth Programme Board, known as the Town Team, is responsible for the delivery of the Greener Grangemouth programme. Its role mirrors that of the Operations Board, with responsibility for overseeing project development and delivery within the programme.

The Town Team reports through the Integrated Programme Management Unit (IPMU) on progress, risks, and issues. An IPMU representative acts as an advisor to the Town Team and attends Board meetings to ensure alignment with Growth Deal governance, reporting, and assurance requirements. During the programme's set-up phase, progress has been reported to FGGD Programme Board via the dashboard reporting system.

Programme Management Unit (IPMU)

The Integrated Programme Management Unit (IPMU) operates under the strategic direction of FGGD Programme Board, with its authority and independence supported by Falkirk Council's Chief Executive and Director of Place. The IPMU is responsible for ensuring that robust project governance, assurance, and reporting arrangements are in place across the programme.

The IPMU plays a central role in supporting delivery by ensuring effective use of public funds, compliance with funder requirements, achievement of best value, and a strong focus on programme and project delivery.

Audit

Since the signing of FGGD, internal audit arrangements have been discussed and agreed with Falkirk Council's Audit Team. An audit plan has now been established, and the FGGD has been formally incorporated into the Council's audit programme, providing additional assurance over governance, financial management, and delivery arrangements.

Benefits Realisation



Benefits Realisation

The FGGD is underpinned by a clear focus on benefits realisation, ensuring that investment translates into meaningful and measurable economic, social, and environmental outcomes. A Benefits Realisation Plan was approved by both Governments at Deal signing, with a commitment to review and update the Plan annually to reflect programme progress and emerging priorities.

During the first 18 months of the FGGD programme, the Benefits Realisation approach was reviewed and updated to ensure it remains proportionate, robust, and aligned with delivery. This approach provides a consistent framework for monitoring performance, tracking progress against agreed benefits, and demonstrating the long-term impact of FGGD. The process is illustrated below.

Figure 6 Benefits Realisation Process



Benefit Achievements

Benefits realisation applies only to those projects that have entered the delivery phase. To date, these are the Skills Transition Centre and Lock 16 projects. Since Full Deal signing, activity across FGGD has therefore focused on establishing robust baselines and agreeing clear, SMART objectives for projects as they transition into the delivery and operational phase. This approach ensures a readiness that benefits can be measured consistently and reported accurately as delivery progresses.

Skills Transition Centre

The Skills Transition Centre (STC) is supported by a clear Benefits Realisation Plan aligned with Growth Deal objectives (Figure 7).

Figure 7 Skills Transition Centre Project Lifetime Benefits Realisation Plan

Outputs	Outcomes	Impacts
• 17+ new training course. • AR welding and drones' simulation packages installed and operational. • Robotics, hydrogen and bioreactor kits installed and operational.	• 11,415 learners upskilled. • 870 businesses supported. • 11,415 school students engaged. • 2,282 participants from underrepresented groups.	• 1,660 new jobs. • £628 million in economic benefit. • £109.6 million in salary uplift. • £209.5 million in productivity increase in employed.

Given that the Skills Transition Centre constitutes a new area of activity for the college, baseline measures were agreed at zero at the start of delivery. This provides a robust basis for tracking performance and demonstrating impact over time. Progress is summarised in Figure 8 below.

Figure 8 Skills Transition Centre Benefits Progress to Date



As can be seen in the statements below, learner feedback from the Skills transition Centre indicates positive outcomes in helping individuals to develop new skills and increase confidence and the delivery via curriculum management has been substantially improved:

“I think the cobots are an amazing tool for developing skills in automation and has made the concept of work in automation much more appealing prospect. They have also helped me to understand the type of safety features that are required in modern robotics.”

Kell Morrison, HND Mechanical Engineering student

“The AR welding kit has been invaluable in allowing school pupils, school leavers and mature students gain a better appreciation of what a Welder does and sees during the actual welding process. In the past we would have had a harder job conveying this due to the hazardous nature of the process. There are now several learners on Fabrication and Welding courses who are either attending college as an apprentice of Babcock International or are a full-time learner on the NC Fabrication and welding course - with a view to becoming an apprentice in this industry. It’s been great to see these learners take an initial experience on the AR welding kit and follow this through to a chosen career path.”

Des McCabe, Curriculum Manager, STEM & Construction

Lock 16

The Lock 16 project achieved Full Business Case approval in December 2025, representing a significant milestone for the FGGD. The project will transform the disused historic Barrs factory into a heritage skills and training hub, supporting inclusive growth, skills development, and regeneration within Camelon.

Over the coming year, the focus will be on embedding the benefits realisation framework for Lock 16 to ensure robust monitoring, reporting, and assurance. This will include the establishment of baselines for agreed outputs and outcomes, the finalisation of the benefits tracker, the implementation of data collection processes, and structured engagement with delivery partners to confirm roles and responsibilities.

To support the structured delivery and monitoring of benefits, the following phased approach will be implemented across the year:

- **Q1:** Agree baseline data and confirm indicators for outputs, outcomes, and longer-term impacts.
- **Q2:** Implement data collection processes and establish reporting templates in collaboration with delivery partners.
- **Q3:** Commence quarterly monitoring and reporting against agreed indicators, with performance feeding into FGGD Benefits Realisation Plan.
- **Q4:** Review progress, refine the benefits framework where required, and prepare year-end benefits reporting.

This phased approach ensures that, as Lock 16 transitions from planning into delivery, a robust foundation is in place for measuring success and demonstrating the project's impact in line with Growth Deal objectives.

Progress To Date



Progress To Date

The Falkirk & Grangemouth Growth Deal has made good progress in the first 18 months, underpinned by an expansion in programme value, delivery momentum and strengthened partnerships. Since the Full Deal was agreed, the overall value of the programme has increased to £178 million. This growth reflects effective partnership working and the successful securing of additional third-party funding, including new capital and revenue contributions for priority projects such as Lock 16 and the Arts Centre.

Some of the early delivery milestones have been achieved across key projects (Figure 9). Notably, the Skills Transition Centre and Lock 16 both secured Full Business Case approval within the first 18 months of FGGD, the Skills Transition Centre is now in active delivery and providing training aligned to industrial transition and workforce needs.

Falkirk Council are working with Scottish Government and CVS to deliver the Just the Transition element of the Greener Grangemouth Programme and with UK Government DESNZ to deliver Grangemouth Future Energy Related Projects and both these projects have funded works in 2025/26. This is a strong example of Falkirk Council and UK/Scottish Government working collaboratively to provide a significant response to the Just Transition needs in a timely manner.

While not all early-stage ambitions have been realised to the extent originally envisaged, this year we are taking a measured and reflective approach to delivery. This includes prioritising realism, learning from early experiences, and strengthening our focus on ensuring projects are delivered effectively and in line with our commitments.

The partnership base supporting FGGD has continued to strengthen. The addition of organisations such as Historic Environment Scotland and Network Rail, alongside enhanced involvement from Scottish Enterprise has brought specialist expertise, increased credibility and additional investment capacity to the programme.

FGGD is also strongly aligned with regional and national priorities, including the Forth Green Freeport, the work of the Grangemouth Future Industries Board (GFIB) and Scotland's Just Transition ambitions. This alignment helps position FGGD as a key contributor to wider economic transformation and industrial transition efforts.

Strong foundations for community engagement have been established through extensive consultation, outreach activities and early engagement work. This has supported the development of cultural, heritage and skills-focused projects, ensuring that local communities and stakeholders are meaningfully involved in shaping delivery.

Taken together, these strengths demonstrate that FGGD is, strategically well aligned and supported by a broad and capable partnership network, providing a strong platform for sustained delivery over the remaining programme period.

Figure 9 Delivery Milestones

2024

Sep-Dec

- FGGD Full Deal signing event at Rosebank Distillery
- Greener Grangemouth Town Team engagement begins

2025

Jan- Mar

- Skills Transition Centre (STC) FBC approved
- STC Annual Grant Offer
- STC Project Start

Apr-Jun

- Lock 16 awarded HLF Funding
- 1st Communications workshop
- Mini Annual Conversation with Governments
- FGGD Skills Subgroup Launched
- Art Centre 5 Strand Public Consultation Campaign begins

Jul-Sep

- Lock 16 OBC approved
- GG Town Team Chair appointed
- FGGD Implementation Plan 25/26 submitted to Governments
- Lock 16 host Scottish Civic Trust's, Doors Open Days events

Oct-Dec

- Project Variation documentation introduced
- STC hosted British Irish Council and presented interactive STC session to members
- STC exhibited at Green Skills Conference at Dynamic Earth Edinburgh
- STC courses start being delivered
- Art Park concept plan submitted to Govt

2026

Jan-Mar

- Lock 16 FBC approval
- Lock 16 project start
- Programme Governance Assurance & Approval Framework & Comms Protocol
- Invest Falkirk Website launched
- Art Centre funding secured
- Art Centre demo substantively completed
- Claims Guidance revised

Programme Progress

Over the 18 months since the Full Deal was signed, the programme has been reviewed and updated to reflect current development in practice. Changes have been made to the way the programme is structured and supported in response to evolving demand, project challenges and new partnership arrangements. These updates are intended to ensure the programme continues to be delivered effectively across a complex local landscape.

The programme remains focused on the themes originally agreed in the Full Deal. Following detailed discussions with the Scottish and UK Governments, and with delivery partners, several improvements have been made to the overall programme and to individual projects. These changes aim to strengthen delivery and ensure the programme remains well aligned with partner roles and priorities.

The programme is now organised into nine projects, alongside an overarching programme function. One of these projects (Falkirk Central Sustainable Transport Network) will be delivered through two smaller sub-projects to support effective delivery from FBC stage (see Figure 10).

These changes give the programme flexibility to adapt as projects develop, while still keeping it firmly focused on the two investment principles that underpin FGGD. All activity continues to align with Just Transition principles, supported through our ongoing work with the GFIB. This approach ensures projects focus on building future-ready skills and businesses, while also contributing to national climate targets.

Figure 10 shows how the current projects, sub projects and side projects align with the programme themes, Creating Great Places and Innovative Industry. This alignment will be kept under review, and we will continue to work with the IPMU to ensure the structure reflects how projects develop over time.

Figure 10 Current Projects



Our programme does face challenges, particularly around rising costs and longer delivery times. Inflationary pressures mean that some later projects may deliver less impact than originally expected at the point of Full Deal agreement. These risks are being closely monitored, and where necessary, changes will be brought forward to manage cost and value for money pressures.

Additional capital funding for the Lock 16 project has been secured through the expansion of partnerships and proactive work by project teams and the IPMU to identify new funding sources. Despite this, pressures on budgets remain and are subject to ongoing monitoring through programme dashboards, audits and financial controls.

Programme governance has improved. Programme Board members now receive full papers in advance, alongside clear summary reports on risks, issues, communications and finance. This allows more informed discussion and forward planning while maintaining strong oversight.

Other key developments since the Full Deal was signed include:

- The programme delivery plan has been updated, with a new framework (Figure 1) to support clearer and more effective delivery.
- To strengthen alignment with local industry needs and Just Transition priorities, £150,000 of revenue funding was allocated to support the appointment of a Just Transition Community Engagement and Participation Manager.
- Some planned spending in the first 18 months was delayed due to longer than expected business case development; however, this has led to improved planning and a more cautious approach to future expenditure.
- Project monitoring has been strengthened through enhanced dashboards covering risks, project variations, Fair Work considerations and subsidy control checks.
- A series of project workshops has been delivered to our Project Managers to build on project management capability and strengthen skills across key programme areas. These include workshops on risk, finance and claims management, Green Book updates. They are held bi-monthly and are used to respond to upcoming or current changes and issues within the programme.
- FGGD claims process has been successfully tested through the Skills Transition Centre and is operating effectively. A programme managers' workshop was also delivered to ensure all project leads understand the process and apply it consistently going forward.

Project Progress

Since the signing of the Full Deal, project managers have worked closely with partners to advance the development of individual projects across FGGD programme. As proposals have progressed, they have been refined to respond to changing local needs, emerging opportunities and the evolving economic context across the Falkirk and Grangemouth area. As a result, some projects have developed beyond the original Full Deal baseline, a summary of each of the projects is provided below.

Place Theme Projects

- Falkirk Arts Centre
- Lock 16, Scotland's Centre of Excellence for Canals and Traditional Skills
- Scotland's Art Park
- Falkirk Sustainable Transport Network, comprising:
  - Falkirk Central Interchange Hub
  - Green Cycling and Pedestrian Network
- Greener Grangemouth, including:
  - Just Transition

Innovation Theme Projects

- Skills Transition Centre
- Strategic Sites, comprising:
  - South Bridge Street
  - Wholeflats
- Grangemouth Sustainable Manufacturing Campus (GSMC)
- Transport Renewables and Career Exploration Hub (TRACE)
- Grangemouth Future Energy Project

Place Theme Projects

Project: Falkirk Art Centre

Project Lead: Falkirk Council



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£3M	£3M	£63.8M	£69.8M

Progress

- Final demolition activities completed
- Youth engagement exercise completed, generating approximately 6,200 responses.
- Post consultation site branding hoardings installation completed
- Building naming process agreed, with brand consultants appointed and shortlist produced and approved for consultation.
- Design review underway
- Operational Project Development Manager appointed.

Next Steps

- OBC submission.
- Planning application to be developed for submission
- FBC development.

Project Summary

The Falkirk Arts Centre is a transformational town centre investment that will reverse footfall decline by creating a vibrant cultural hub. Anchored by a 550 seat auditorium, it will boost regeneration, attract investment, and support Falkirk's future as a thriving cultural and residential centre, with additional spaces including studios, a library, café bar, and civic facilities.

Project: Lock 16, Scotlands Centre for Traditional and Canal Skills

Project Lead: Scottish Canals



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£4M	£0	£8.9M	£12.9M

Progress

- Project fully funded and Full Business Case approved
- Construction commenced Q4 2025/26.
- Demolition works completed
- Project construction on time and plan to date

Next Steps

- Development of the benefits realisation baseline to be undertaken, with monitoring and recording processes to be implemented.
- Project construction to be completed Q4 2026/27

Project Summary

Led by Scottish Canals, the Scotland's Canal Centre project will restore derelict warehouses at Lock 16 on the Forth and Clyde Canal to create a new operational and collaborative hub. The project will provide flexible workspace and educational facilities, improved public access through a community designed public realm, and transform a neglected canal site into a vibrant, community focused and commercially viable waterside destination.

Project: **Scotlands Art Park**

Project Lead: Falkirk Council



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£3M	£0	£0	£3M

Progress

- Outline Business Case updated and submitted Q4 2025/26.
- Work ongoing to appoint a lead artist to develop project requirements for procurement and community consultation.
- Project design development progressing in collaboration with partners.
- Engagement activity underway to explore integration with the wider art works in all FGGD projects.

Next Steps

- Develop brief for lead artist.
- Agree long term maintenance plan.
- Appoint a project officer.

Project Summary

The creation of a linear art Park along the Forth and Clyde Canal, delivering a community led public art trail that links key Falkirk attractions. It will revitalise the canal corridor, encouraging culture, active travel and wider economic and community benefits.

Project: Falkirk Central Sustainable Transport Network

Project Lead: Falkirk Council/Network Rail



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£21M	£0	£0	£21M

Progress

- Outline Business Case reviewed and submitted Q1 2026/27
- Initial project design concepts being developed in collaboration with partners.
- Engagement progressing on potential service agreement or Memorandum of Understanding (MoU) with key delivery partners.
- Project Board discussions underway to explore partnership enlargement of current hub element

Next Steps

- Post Outline Business Case approval project will split into two business cases with separate delivery timelines, discussions ongoing re Network Rail project managing the station element.
- Pursue additional Access for All funding for station Hub.
- Develop consultancy brief for Full Business Case development for active travel element.

Project Summary

This investment will transform travel in and around Falkirk by delivering new public and active travel infrastructure. Through an improved rail station and interchange hub, alongside a connected network of green walking and cycling routes, the projects will reduce car dependency, improve access to key destinations, and deliver environmental, social and wellbeing benefits while strengthening links between Falkirk, Grangemouth and surrounding communities.

Project: Greener Grangemouth Programme

Project Lead: Falkirk Council



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£10M	£0	£2M	£12M

Progress

- Outline Business Case progressing, with associated programme review ongoing
- Adjustments made to reflect transfer of Just Transition funding officer element
- Internal programme discussions underway to refine funding profiles and delivery approach.
- On completion of review projects to be aligned with updated programme structure and discussed with partners.

Next Steps

- Review the project list and align with planned outputs for programme
- Continued consultation and engagement with stakeholders, community and potential partners.
- Continue change control process and subsequent OBC submission.

Project Summary

The Greener Grangemouth Programme will place community wellbeing at the centre of the town's aspirations. Through community led planning and partnership working, it will tackle health inequalities, deprivation and urban decline, invest in local assets and skills, and strengthen community capacity to deliver long term social, environmental and economic benefits for Grangemouth.

Innovation Theme Projects

Project: Skills Transition Centre

Project Lead: Forth Valley College



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£4M	£0	£4.68M	£8.68M

Progress

- Full Business Case approved.
- Project delivery underway with revenue activity progressing.
- Revenue funded support activities progressing in line with programme requirements. All major equipment bundles now in situ.
- Project team fully resourced with all posts filled.17 new courses initiated with students now completing.

Next Steps

- Continue to oversee the delivery and installation of new equipment, alongside decoration and infrastructure works for dedicated rooms.
- Finalise rooms design in preparation for commercial and curriculum use.

Project Summary

Led by Forth Valley College, the Skills Transition Centre will bring together a wide range of partners to support skills development for the Just Transition to Net Zero. The project will provide advanced training facilities and equipment to meet the needs of emerging sectors and transitioning industries in the Grangemouth area, alongside a long term skills development programme focused on future workforce needs.

Project: **TRACE**

Project Lead: Forth Ports



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£1M	£9M	£0	£10M

Progress

- Outline Business Case development ongoing.
- Options appraisal by Forth Ports underway. Three delivery options identified and being developed, alongside the original scope model.
- KPMG appointed to update financial modelling and assess commercial viability of shortlisted options.
- Engagement ongoing with Forth Ports to review options and agree preferred delivery approach.
- New project manager appointed by Forth Ports.

Next Steps

- Outline Business Case to be progressed once Forth Ports' Executive Board have decided on the remodelling options.

Project Summary

A new career exploration and technology hub in Grangemouth will use advanced simulation, virtual and augmented reality to help young people access skilled local jobs and support upskilling in transitioning industries. TRACE will bring together education and industry to strengthen the local skills base and support Falkirk's transition to a greener, Net Zero future.

Project: **Strategic Sites**

Project Lead: Falkirk Council



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£0	£10M	£1.468M	£11.468M

Progress

- South Bridge Street Outline Business Case submitted Q4 2025/26
- Site investigation work package issued, evaluated and awarded; contractor commenced work. Site investigation report scheduled for completion in Q1 2026/27
- Support funding secured through Forth Green Freeport Seed Capital with additional support from TIF as required.
- Planning application in preparation for submission in Q1 2026/27

Next Steps

- South Bridge design packages progressing towards completion (Q3 2026/27), enabling procurement to commence.
- Work ongoing on Full Business Case for South Bridge Street while Wholeflats awaits clarification of GSMC site function.

Project Summary

Strategic Sites will prepare unused land at key sites in Grangemouth to create development ready locations for business and innovation. By delivering essential infrastructure and site preparation, it will help attract investment, support growth in industrial and advanced manufacturing sectors, and enable future developments such as the Sustainable Manufacturing Campus.

Project: **GSMC**

Project Lead: Scottish Enterprise



Project Value/Funding

Scottish Government	UK Government	Other Parties	Total
£2M	£18M	£0	£20M

Progress

- Change control submitted to combine BAPP/CDU as one project with the budget focussed on bioengineering, re-named as GSMC.
- A change control to appoint Scottish Enterprise as the SRO and project managers for GSMC.
- Change control submitted to Scottish and UK Government to support a phased delivery approach with a Business Justification for an “Interim space” to test concept.
- Early-stage activity underway to support partnership development and future funding opportunities.
- Planned delivery of interim works to include fit-out, enabling infrastructure, and development of an operating model.
- Cross-project alignment progressing, including coordination with Strategic Sites project to enable phased delivery across locations.
- Main business case development ongoing, with projects now consolidated and reporting under the GSMC programme.

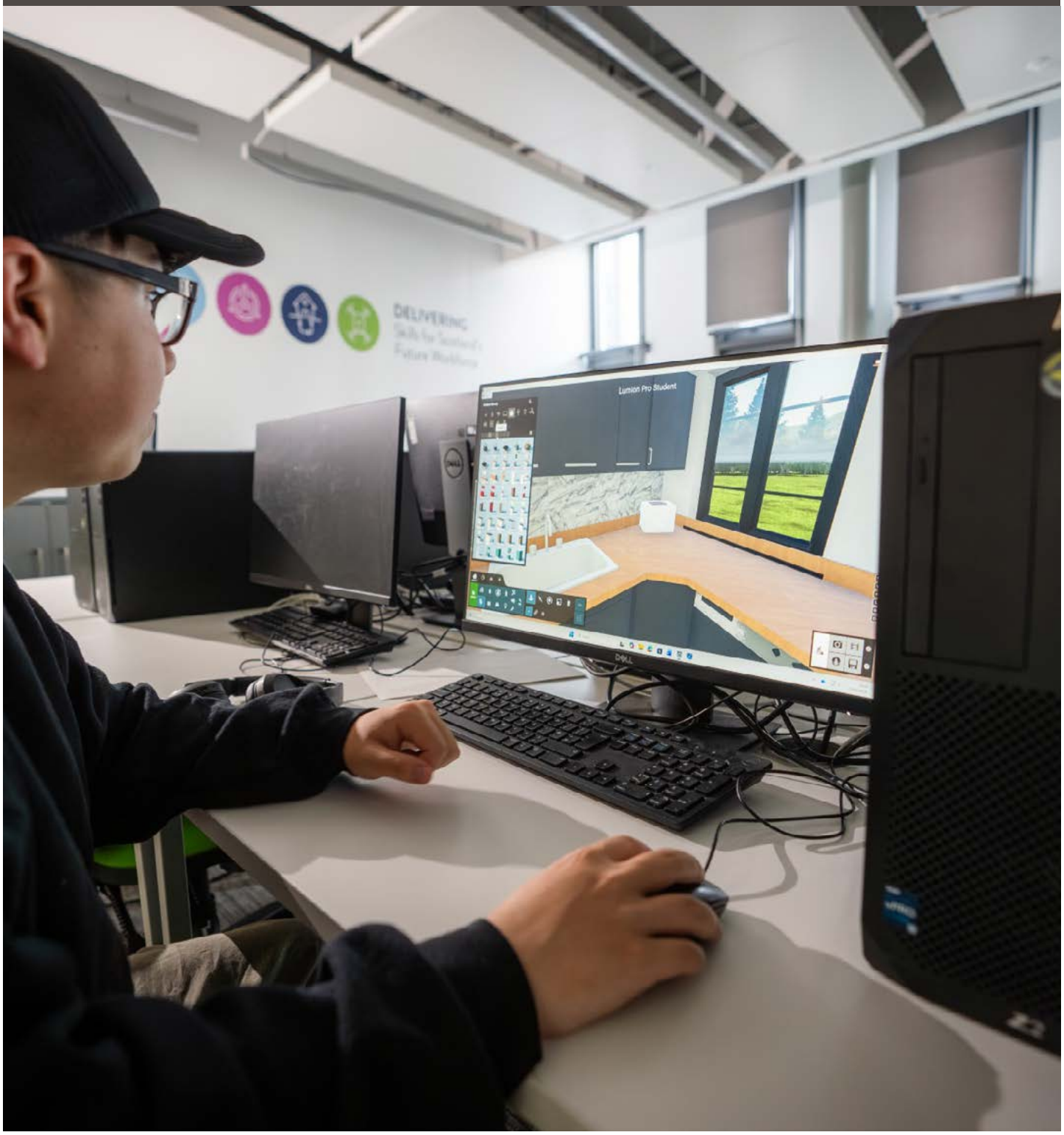
Next Steps

- Progression of a business justification case for Phase 1 “Interim Space”.
- Options appraisal on sites for phase 1 “Interim Space”
- Ongoing exploration of complementary funding routes along with exploration of partners for main project

Project Summary

The Grangemouth Sustainable Manufacturing Campus (GSMC) will create a facility for research and development projects to support emerging bioengineering technologies. The facility will enable early-stage innovations to be tested and proven at scale, increasing investor confidence and accelerating the commercialisation and deployment of new technologies in Grangemouth.

Communications



Communications

The Falkirk and Grangemouth Growth Deal (FGGD) Communications Protocol sets out a clear and consistent framework to ensure that all communications are delivered accurately, effectively and in a timely manner. By defining roles, responsibilities and ways of working across the core partners, the protocol supports coordinated communications activity and strong partnership working. Over the past year, this approach has enabled a range of successful communications and engagement activity, resulting in a number of key achievements outlined below.

- **Established a clear communications framework** - The Falkirk and Grangemouth Growth Deal Communications Protocol continues to provide an agreed structure for accurate, timely and coordinated communications across all core partners.
- **Maintained strong partnership working and governance alignment** - Ongoing adherence to the UK and Scottish Governments' City Region and Growth Deals Communications Protocol has supported consistent messaging, good partner relationships and effective reputation management.
- **Delivered regular, structured engagement with government partners** - Participation in bi-weekly update meetings, focused communications and finance sessions, and formal mini and annual conversations has enabled clear communication on governance, project progress and emerging challenges.
- **Strengthened coordination across partners** - The IPMU's appointed communications adviser has led programme-wide communications, with core partners retaining responsibility for activity within their areas. IPMU and Falkirk Council have provided coordination and support where required.
- **Delivered a wide range of public and stakeholder engagement activity**, including:
  - Public consultations and community engagement
  - Workshops and information sessions
  - Media and digital communications
  - Engagement with local employers and skills and education providers
  - Public, stakeholder and regional events
  - Networking opportunities led by the IPMU
  - Promotional materials and programme branding
- **Increased awareness and understanding of FGGD** - Communications and engagement activity has improved public understanding of the opportunities and benefits of FGGD, supported project-level delivery and strengthened relationships with communities, businesses, stakeholders and third-sector organisations.
- **Maintained open, accessible communication channels** - Dedicated contact

points have supported enquiries and engagement, reinforcing transparency and accessibility in programme communications.

- **Sustained digital and social media engagement** - Official channels and social media platforms have been used to share progress, promote milestones and encourage partner collaboration, with plans to further develop digital engagement where appropriate.

To support consistent and effective communications, the FGGD Communications Protocol is reviewed annually by the IPMU and presented to the Programme Board for approval. The most recent review was approved by the Programme Board in February 2026.

Looking ahead, FGGD remains committed to proactive, open and accessible communications to maintain momentum and visibility. Dedicated contact points will continue to be provided to support enquiries and engagement. The programme will also continue to encourage participation from local communities to promote inclusive growth and ensure communications reflect local needs.

Reflections



Reflections

As the Falkirk and Grangemouth Growth Deal moves beyond its first 18 months of delivery, it is important to reflect honestly on the challenges encountered and the external factors influencing progress. While strong foundations have been established, a number of internal and external pressures have emerged which require careful ongoing management.

Rising inflation has had a material impact on the programme, reducing value for money and introducing risks to the affordability and deliverability of some projects. Increasing construction and specialist equipment costs mean that maintaining the original scope and impact envisaged at Full Deal stage now requires more active cost control, value engineering and, in some cases, scope review. These pressures have reinforced the importance of robust financial management and early intervention to safeguard value.

The programme has also experienced delays across several projects, reflecting the complexity of business case development, extended lead-in times for specialist equipment, and the need for project redesign as priorities and funding assumptions have evolved. Projects such as Strategic Sites, TRACE and the Arts Centre illustrate the challenges of progressing complex capital and skills-based initiatives within a changing economic and regulatory environment. While these delays have affected annual spend profiles, they have also generated lessons that are informing more realistic planning and sequencing going forward.

Delivery of some of the programme's largest and most transformative projects has been dependent on securing additional partner funding. Lock 16 has successfully progressed to delivery, supported by the external funding required to advance the project. In contrast, the Grangemouth Sustainable Manufacturing Campus (GSMC) continues to be reliant on securing further external investment to realise its full ambition. While effective partnership working has already helped to unlock new funding opportunities, reliance on third-party contributions introduces additional complexity and risk. These factors are being actively managed to support continued progress and long-term deliverability.

Capacity and resourcing pressures have become more evident as the programme has matured. In particular, gaps have been identified in project managers' knowledge and experience of the Green Book business case development process. Alongside this, project realignments, evolving compliance requirements and increased assurance activity have placed additional administrative demands on both programme management and delivery teams. These challenges highlight the importance of balancing ambition with available delivery capacity, and of ensuring that governance and reporting arrangements remain proportionate, supportive and focused on enabling progress.

Alongside these internal challenges, the programme continues to operate within a complex and uncertain external environment. Economic volatility and ongoing inflation in construction costs present a continuing threat to the affordability of major capital projects and may require further scope adjustments over time.

Structural change within Grangemouth's industrial base also presents uncertainty. Since Full Deal signing, the closure of the Petroineos refinery and evolving market conditions may affect investor confidence and the timing of delivery for projects linked to industrial transition, such as GSMC and Wholeflats Strategic Site. While FGGD plays a key role in supporting long-term economic transformation, it must do so against a backdrop of short-term disruption and uncertainty.

The increasingly complex funding landscape adds further risk. Projects supported by multiple funders such as the Heritage Lottery Fund, and the Tax Increment Financing Programme and Forth Green Freeport Seed Capital Funding mean the projects must navigate overlapping requirements, timescales and governance processes. While this funding is essential to delivery, it can also increase the risk of delay and delivery complexity.

Finally, for skills and innovation projects, sustained participation and uptake remain critical to long-term impact. Maintaining engagement from employers, learners and delivery partners is essential to ensure these projects deliver lasting economic and social benefits.

Taken together, these reflections highlight that the FGGD is operating in a challenging and evolving environment. While these challenges have introduced risks to delivery, they have also strengthened the programme's approach to governance, financial management and partnership working. The lessons learned to date are informing a more mature, resilient and adaptable programme, better equipped to respond to uncertainty and continue delivering meaningful long-term change for the Falkirk and Grangemouth area.

Year Ahead



Year Ahead

The year ahead will continue to present challenges, particularly in relation to inflationary pressures, cost uncertainty and the complexity of delivering large-scale capital and skills investments in a changing economic environment. However, the FGGD programme is now clearly transitioning from early development into active delivery, with a growing number of projects progressing through Outline Business Case to Full Business Case stage, and two projects already in delivery.

Key headline priorities and milestones for the year ahead include:

- Maintaining delivery momentum while managing financial risk, by continuing to work closely with the UK and Scottish Governments and delivery partners to monitor programme affordability, manage inflationary pressures, and ensure value for money is maintained across the lifetime of FGGD.
- Supporting the progression of projects through the business case lifecycle, with a particular focus on advancing OBCs and securing further FBC approvals, enabling additional projects to move into delivery.
- Addressing delivery capacity and capability challenges, through continued support from the IPMU, targeted workshops for project teams, and strengthened governance, assurance and reporting processes.
- Strengthening programme-wide financial planning and profiling, including a prioritisation exercise and reviewing project phasing and spend forecasts to support a more balanced and achievable Government drawdown profile over the remaining programme period.
- Embedding benefits realisation arrangements for projects entering delivery, including establishing baselines, strengthening data collection and reporting, and ensuring that measurable economic, social and environmental benefits are tracked consistently.
- Promoting the investment potential and wider impact of FGGD, ensuring FGGD remains closely aligned with complementary initiatives such as the Forth Green Freeport and GFIB, and continues to attract partner engagement and additional funding.

Taken together, these priorities reflect a Deal that is becoming more mature, realistic and resilient. The focus for the year ahead is on converting strong foundations, partnerships and early delivery successes into sustained momentum, ensuring that projects move efficiently from planning into delivery and that FGGD continues to deliver long-term benefits for Falkirk and Grangemouth.

Glossary



Glossary

Annual Report
A formally published document that sets out progress over a defined financial year on the delivery of the Falkirk and Grangemouth Growth Deal, including governance, financial performance, project development, challenges, and progress toward agreed outputs, outcomes, and benefits, providing transparency and accountability to funders and stakeholders.

Assumptions
Statements taken as true for the purposes of planning, modelling, or appraisal where evidence may be incomplete or uncertain.

Audit
An independent review of governance, financial management, and compliance to ensure proper use of public funds and adherence to agreed controls.

Baseline Data
Quantitative or qualitative data collected at the start of programme/project delivery to establish the baseline position for future comparison.

Baseline
The agreed starting position against which changes, progress, and benefits are measured over time.

Benefits Realisation Plan
A formal document setting out how benefits will be defined, measured, monitored, and reported over time, including baselines, indicators, targets, responsibilities, and reviews.

Benefits Realisation
The structured approach used to identify, plan, monitor, and evidence the delivery of outputs, outcomes, and impacts arising from FGGD.

Business Case
A formal document that sets out the rationale for investment, including costs, benefits, risks, and delivery arrangements, to support funding and approval decisions.

Change Control
A formal process used to assess, approve, and record changes to agreed scope, cost, timescale, or outputs.

Community Engagement
The process of involving local communities in informing, shaping, and influencing decisions, delivery, and outcomes.

Creating Great Places
One of FGGD's strategic themes, focused on regeneration, placemaking, culture, heritage, transport, and improving the lived experience in towns and communities.

Falkirk and Grangemouth Growth Deal (FGGD)
A long-term investment programme jointly funded by the UK Government, Scottish Government, Falkirk Council and partners to support sustainable economic growth, regeneration, skills development, and industrial transition across the Falkirk and Grangemouth area.

Full Business Case (FBC)
The final business case that confirms the preferred option, full costs, funding, benefits, risks, and delivery plans, required for final approval before delivery.

Governance
The framework of roles, responsibilities, processes, and controls used to direct, manage, and oversee the programme.

Impacts
The longer term economic, social, or environmental changes resulting from outcomes, which are often measured at regional or strategic level.

Inclusive Growth
Economic growth that is distributed fairly across society and provides opportunities for all, particularly underrepresented or disadvantaged groups.

Indicators
Specific, measurable data points used to track performance against outputs, outcomes, or impacts.

Innovative Industry
One of FGGD's strategic themes, focused on skills, innovation, advanced manufacturing, and supporting industrial transition and competitiveness.

Investment Programme Management Unit (IPMU)
The team responsible for the coordination, governance, assurance, reporting, and day to day management of FGGD programme. Also known as the PMO in other Growth Deals.

Just Transition
An approach to economic and environmental transition that seeks to ensure workers, communities, and sectors are supported fairly and inclusively as the economy moves toward net zero.

Monitoring
The ongoing process of collecting, reviewing, and analysing data to track progress and performance against agreed plans and targets.

Net Zero
A state where greenhouse gas emissions produced are balanced by emissions removed from the atmosphere, resulting in no net increase in emissions.

Operations Board
The governance body responsible for overseeing project level delivery, performance, and reporting, and providing assurance to the Programme Board.

Outcomes
The short to medium term changes or effects resulting from outputs, including changes in skills, behaviour, performance, or access to opportunities.

Outline Business Case (OBC)
The business case stage that assesses options, affordability, and strategic fit, and seeks approval to proceed to more detailed development.

Outputs
The direct, tangible products or activities delivered by a programme or project, such as infrastructure, training courses and participants supported.

Partner Funding
Financial contributions provided by core delivery partners to support project delivery alongside Growth Deal funding.

Programme Board
The senior governance body providing strategic oversight, leadership, and scrutiny of FGGD programme.

Programme
A coordinated set of related projects and activities managed together to achieve strategic objectives and long-term benefits.

Project
A defined piece of work with specific objectives, scope, timescales, and budget, delivered as part of the wider programme.

Reporting
The process of collecting, analysing, and presenting information about performance, activities to support decision making.

Risks and Issues
Potential events or current problems that could affect delivery, performance, or outcomes if not managed or mitigated.

Stakeholders
Individuals, organisations, or groups with an interest in, or affected by, the programme or its outcomes.

Targets
Agreed levels of performance or achievement that a programme or project aims to reach within a specified timeframe.

Value for Money (VFM)
An assessment of whether an intervention delivers the maximum benefit for the resources invested, considering economy, efficiency, and effectiveness.

FALKIRK COUNCIL