

SFT Outcomes

Demonstrating progress with impact



2020 CASE STUDY

Outcome 02



There is improved coherence, pace and placemaking across major private commercial, industrial and housing development.

Tax Incremental Financing

Securing additional infrastructure investment to unlock regeneration and inclusive economic growth

The Scottish Futures Trust (SFT) manages and leads on the Tax Incremental Financing (TIF) programme on behalf of Scottish Government as a way of securing additional infrastructure investment into areas to unlock regeneration and inclusive economic growth.

TIF seeks to capture locally generated, incremental public sector revenues (e.g. business rates) that wouldn't have arisen were it not for investment in the delivery of "enabling" public sector infrastructure.

The use of TIF is normally predicated on a 'but for' test i.e. that but for TIF, the anticipated outcomes from a regeneration and economic perspective would not occur or not occur in the time frames which TIF would enable.

A TIF project must therefore demonstrate that the enabling infrastructure will generate additional public sector revenues to repay the financing requirements of the enabling infrastructure.

One such project is the Falkirk TIF scheme. It was established in 2012 and has continued to be a key delivery route for capital investment in the region. It is now aligning with the Falkirk & Grangemouth Growth Deal and Falkirk Council's own capital investment programme to create a cohesive package of investments designed to bolster the Falkirk and wider Forth Valley economy.

While SFT manages the TIF scheme on behalf of Scottish Government, SFT is also a key contributor to the wider strategy, supporting the Falkirk & Grangemouth Growth Deal and is a key collaborator in implementing the Place Principle across Falkirk's investment packages. SFT is also a key partner in designing and delivering the flagship new Falkirk Council HQ.

By 2024, the Falkirk TIF will see capital investment increase from £10m to £50m with further investment being made in the region through the Falkirk & Grangemouth Growth Deal, which was recently announced at £90m of further investment.

The new Falkirk HQ will signify a capital investment of circa £50m and combined, these investments will have a huge role in delivering economic and social impact across the Falkirk region.

