



Glasgow City Council

City Administration Committee

Item 1

5th June 2025

Report by Councillor Ruairi Kelly, City Convener for Housing, Development, Built Heritage and Land Use

Contact: George Gillespie, Ext: 79106

GLASGOW'S REGENERATION CAPITAL GRANT FUND AWARDS – ACCEPTANCE OF 2025/26 FUNDING AWARDS AND PROGRAMME UPDATE

Purpose of Report:

The purpose of the report is:

- To accept Scottish Government's 'Regeneration Capital Grant Fund' award for two new projects; and
- To update members on current programme delivery progress.

Recommendations:

The Committee is requested to:

1. note the contents of the report;
2. approve the acceptance of two 'Regeneration Capital Grant Fund' awards totalling £ 998,169.

Ward No(s): 11; 16

Citywide:

Local member(s) advised: Yes ✓ No ☐ consulted: Yes ☐ No ✓

1. BACKGROUND

- 1.1 The Regeneration Capital Grant Fund (RCGF) is a Scottish Government budget, developed in partnership with COSLA and local authorities. The fund aims to provide financial support to projects that will help to deliver large-scale improvements to deprived areas. It focuses on projects that engage and involve local communities and those that can demonstrate the ability to deliver sustainable regeneration. Projects can be developed by community organisations but are submitted to Scottish Government by local authorities or Clyde Gateway.
- 1.2 The Fund operates as a bidding process, with Glasgow in competition with local authorities across Scotland. There is no set financial allocation for Glasgow or prescribed number of projects to be approved. The bidding process operates in two stages, with an open call for submissions, and then projects being shortlisted for Stage 2 consideration and asked to make a more detailed submission.
- 1.3 Further details are published on the Scottish Government website at: <https://www.gov.scot/policies/regeneration/capital-investment/>

2. 2025/26 FUNDING AWARDS

- 2.1 In April 2025 Scottish Government notified Council of two grant awards for the 2025/26 financial year, for the Social Entrepreneur Centre in Possilpark, and the Glue Factory: micro-power-station retrofit.
- 2.2 The Social Entrepreneurs Centre in Possilpark is an exciting initiative aimed at fostering local entrepreneurship and community development. The project is part of a broader effort to revitalise the area, which has been designated as a Community Improvement District, the first of its kind in the UK.
 - 2.2.1 The centre will provide a dedicated space for social entrepreneurs, including a fully equipped multimedia room and a network of support for 24 local entrepreneurs. The goal is to create a hub for innovation, collaboration, and economic growth, particularly for residents from disadvantaged communities.
 - 2.2.2 Additionally, the project aligns with Community Wealth Building principles, aiming to redirect wealth back into the local economy and support sustainable business development. The centre will complement existing developments in the area, such as Saracen House and public realm improvements.
 - 2.2.3 The project will be delivered by ng homes and has been awarded £600,000 by RCGF. Project completion is expected in December 2025.
- 2.3 The Glue Factory's micro-power-station retrofit is an ambitious project aimed at transforming the former industrial site into an energy-positive building.
 - 2.3.1 The project will deliver:

- Thermal Improvements: Enhancing insulation and energy efficiency to reduce overall power consumption.
 - Photovoltaic (PV) Panels: Generating renewable energy to ensure the building produces more power than it consumes.
 - Community Integration: The retrofit aligns with broader efforts to support local enterprises and creative industries.
- 2.3.2** This project is part of a wider movement to repurpose post-industrial buildings into small-scale power stations, contributing to Glasgow's sustainability goals.
- 2.3.3** The project will be delivered by Agile City, a community interest company focused on sustainable urban regeneration, and has been awarded £398,169 by RCGF.
- 2.4** Committee is asked to accept the Scottish Government RCGF offer of grant, received on 30th April 2025, for £600,000 for Social Entrepreneurs Centre Possilpark and £398,169 for Glue Factory: micro-power-station retrofit. The award for both projects is to be utilised in the financial year 2025/26.

3. DELIVERY AND FINANCIAL MONITORING ARRANGEMENTS

- 3.1** Project delivery arrangements and responsibilities are defined by legal agreements between the Council and external project partners. Where applicable, existing legal agreements will be revised to reflect new grant amounts. Council Services and ALEOs will provide local partners with technical support to deliver projects where appropriate.
- 3.2** Grant claims will be submitted by external partners and scrutinised by officers within NRS. No grant can be claimed ahead of works or related services being carried out. Approved claims, and monitoring updates, are then submitted to Scottish Government to allow funding to be drawn down by NRS, who then disburse funding to partners.
- 3.3** The delivery of construction projects continues to present challenges related to budget constraints and programme management. Despite these ongoing pressures, the Regeneration Capital Grant Fund (RCGF) has played a pivotal role in supporting locally driven, place-based regeneration initiatives across the city. These projects actively engage communities in addressing inequalities and fostering inclusive economic growth.
- 3.4** RCGF-funded initiatives are implemented through a structured framework that ensures strategic impact, financial accountability, and long-term sustainability. Investments through RCGF contribute to meaningful regeneration, facilitating the development of sustainable and inclusive communities.
- 3.5** In 2023/24, the Regeneration Capital Grant Fund (RCGF) supported the Refiring the Pipe Factory Project, which is now on-site and progressing towards completion by the end of this financial year. All funding has been secured

through a contractual commitment from the Scottish Government. While some past projects have experienced delays due to the pandemic and inflation, RCGF awards for these projects remains secure.

- 3.6 During 2024/25 Scottish Government paused the capital regeneration funding programme, resulting in there being no RCGF Grant awards for that period
- 3.7 On 15th May 2025 Scottish Government announced that there would be a 2026/27 RCGF funding round. This will also incorporate the previously separate Vacant and Derelict Land Investment Programme (VDLIP). Council anticipates making several applications to this Fund by the 27th June deadline. The Place Fund, which was paused by Scottish Government for 2024/25, will remain separate from this RCGF/VDLIP process. Council is awaiting a 2025/26 Place Fund grant offer from SG, and anticipates supporting projects from similar funding themes to previous annual awards.

4 Policy and Resource Implications

Resource Implications:

Financial: Funding totalling £ 998,169 will be received by the Council from Scottish Government, for disbursement to third parties.

Legal: GCC Legal Services will conduct due diligence on the process to provide support where required.

Personnel: Personnel resources required to assist in the delivery of the overall programme will be supported through existing project resources.

Procurement: No specific procurement matters.

Council Strategic Plan: The following Strategic Plan outcomes are supported:

Grand Challenge 1 – Reduce Poverty and inequality in our communities.

Mission 3: Improve the health and wellbeing of our local communities and Mission 4: Support Glasgow to be a city that is active and culturally vibrant.

Grand Challenge 2 – Increase opportunity and prosperity for all our citizens.

Mission 1: Support Glasgow residents into sustainable and fair work.

Mission 2: Support the growth of an innovative, resilient and net zero carbon economy.

Mission 3: Raise attainment amongst Glasgow's children and young people.

Grand Challenge 3 – Fight the climate emergency in a just transition to a net zero Glasgow.

Mission 2: Become a net zero carbon city by 2030.

Grand Challenge 4 – Enable staff to deliver essential services in a sustainable, innovative and efficient way for our communities.

Mission1: Create safe, clean and thriving neighbourhoods.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.

This proposal supports the outcomes through:

Outcome 1- An increased proportion of women, black and minority ethnic people, younger people, disabled people and LGBTI+ are supported to enter employment or training.

What are the potential equality impacts as a result of this report?

The proposal is expected to generate a positive equality impact, strengthening access to employment and training for historically marginalized groups. By addressing disparities in participation, it helps create a more inclusive and diverse workforce, aligning with the Council's broader equality objectives.

Please highlight if the policy/proposal will help address socio-economic disadvantage.

The Fund is targeted at areas of socio-economic disadvantage. Projects will improve the physical environment, address social issues, and increase economic activity. The Social Entrepreneurs centre in particular will increase access to opportunities, with a particular focus on disadvantaged young people, many of whom have experience of care

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify:

Yes. By refurbishing and improving an example of Glasgow's built heritage.

Outcome 29- Ensure that historic buildings are resilient to the impacts of climate change, protecting Glasgow's rich heritage.

Projects will support the following Climate Plan Themes:

Theme 2: Just and Inclusive Place.

Theme 3: Well Connected and Thriving City

Theme 4: Health and Wellbeing.

What are the potential climate impacts as a result of this proposal?

Capital investment proposals are likely to have a beneficial impact on climate as a result of improving or augmenting existing buildings to the most modern standards.

Will the proposal contribute to Glasgow's net zero carbon target?

Yes, through more sustainable buildings.

Privacy and Data Protection impacts:

None.

5 Recommendations:

It is recommended that the Committee:

1. notes the contents of this report; and
2. approves the acceptance of a 'Regeneration Capital Grant Fund' awards totalling £998,169.