



Glasgow City Council

City Administration Committee

Item 3

24th April 2025

Report by Councillor Susan Aitken, Leader of the Council and City Convener for City and City Region Economy and Just Transition

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SHARED PROSPERITY FUND – PROPOSED CAPITAL FUNDING AWARDS

Purpose of Report:

To update City Administration Committee on the capital funding element of the UK Shared Prosperity Fund, and to present proposed funding awards for approval.

Recommendations:

It is recommended that Committee:

- notes the contents of this report; and
- approves the proposed projects.

Ward No(s):

Citywide: ☐

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

1 Background

- 1.1 At its meeting held on 30th January 2025, Committee agreed proposals to utilise the budget allocation available to Glasgow for the extension year (2025/2026) of the UK Shared Prosperity Fund (UKSPF), following confirmation of the budget from the UK Government in October 2024.
- 1.2 As per the current programme, UKG have applied a minimum allocation for capital expenditure. Glasgow City Region (GCR) proposed to regional Chief Executives that the total regional capital allocation is split proportionately across all 8 local authorities at 23.33% of their individual allocations.
- 1.3 This means there is a minimum of £2,761,060 for Glasgow to invest in capital programmes. Committee agreed in January that £150,000 should be used to support businesses through the Green Business Support Grant, leaving £2,611,060 available for other capital project activity.

2. Projects

- 2.1 For the previous period, 2023/25, the allocation of the capital element was managed through open competition. Given the one-year extension, there is significant risk that taking a similar approach would result in projects being unable to spend the allocation in-year due to the length of time to put in place a process, conclude grant agreements, and undertake delivery.
- 2.2 A trawl of potential projects was undertaken by a group of officers from NRS Property, Projects, and Planning, along with colleagues in Economic Development identified two key assets within the Council's control, and where the capital proportion of the UKSPF allocation would meet the criteria of the fund, be delivered within the 25/26 financial year, and where works do not require no statutory permissions. Additionally, the works identified will have a major impact in attracting further private sector investment in the assets:

The Lighthouse

The Lighthouse, a Category A Listed sandstone building designed by Charles Rennie Mackintosh and owned by the Council, was initially constructed in 1895 as a warehouse for the Glasgow Herald. It was later transformed into The Lighthouse, Scotland's Centre for Architecture, Design, and the city, with its launch in 1999 including a permanent Mackintosh exhibition. However, in recent years, particularly post-COVID, it has largely fallen out of productive use.

In February 2025, Contracts and Property Committee approved leasing it to Sustainable Ventures, an organisation aiming to turn the building into a Net Zero Innovation Hub. This initiative will create a space for Clean Tech companies in Scotland to grow, driving economic activity and supporting talent in the Glasgow City Region. A £2m investment from the available funds is proposed, to ensure the building's condition supports this transformation and encourages further private sector investment.

Officers are also considering options for the longer-term future of the current

Charles Rennie Mackintosh exhibition at the Lighthouse, Consideration is being given as to whether the exhibition can continue to be accommodated within the Lighthouse, or whether it will be re-interpreted at another publicly accessible venue.

Works that will be taken forward include:

External

- Repairs to rainwater goods and gutters
- Replacement/repair to timber walkway boarding on roof
- Replacement of broken slates and resecuring of slipped slates
- Fix viewing platform roof leak
- Removal of vegetation
- Resealing of glazed roof, windows and doors
- Repairs to coping stones and water run-off onto facing stone
- Chimney repairs and water protection
- Brickwork repairs and repointing
- Rendering to DOW building
- General window repairs
- General cleaning (gutters and outlets)

Interior

- Internal strip-out of all exiting floorplate interventions
- Investigate damp and fix to rear stair (all levels) and basement
- Repairs to passenger and goods lift
- Repairs to escalators
- Review of sprinkler arrangements
- Review of heating system and possible conversion to sustainable energy source

Kelvinhall

Following a series of successful investments in Kelvinhall, including the recent creation of a high-end television studio, a substantial portion of vacant floorspace remains available at the venue. Officers from various parts of the Council and Council Family have received expressions of interest from commercial operators across multiple sectors to utilise this space. As one of the Council's largest untapped assets, Kelvinhall is in need of the type of investment that will unlock it's potential. While the optimal use of the space is still to be determined, several interventions could be implemented to enhance its appeal and attract investment, regardless of the final purpose.

The proposal is to allocate the balance of SPF funding (£611,060) to a package of measures at this asset including:

External - Argyle Street heritage wing

- Repairs to existing broken/slipped slates and sarking
- Replacement/repairs to lead work and flashings

- Localised upgrades and replacement rainwater and gutter systems

Interior - Argyle Street heritage wing and Event spaces

- Shell and core upgrades within ground floor of the Argyle Street heritage wing to support operational/commercial opportunities
- Further investment in services and utility connections within the event space to facilitate operational use
- Investment in flooring upgrades throughout the event spaces to support accessibility and operational use
- Localised lighting upgrades to the event space

3. Project delivery, reporting and monitoring

- 3.1 NRS officers will be responsible for all contractual management and monitoring of both capital projects.
- 3.2 As with other UKSPF supported activities within the city, progress with the delivery of the fund will be regularly reviewed by the council's UK Funds Governance Group. The Council, through the Glasgow City Region, will be required to report on a quarterly basis on actual and forecast expenditure on all supported activities and provide more detailed information, including data on outputs and outcomes, on a six-monthly basis. These requirements will be passed down to successful projects.
- 3.3 A paper on project delivery and outcomes will be presented to Economy, Housing, Transport and Regeneration City Policy Committee in due course.

4 Policy and Resource Implications

Resource Implications:

<i>Financial:</i>	Glasgow City Council has £2,761,060 available for capital projects from the UK Government's Shared Prosperity Fund (UKSPF). This is being administered through GCC as the main partner, working with other partners to deliver on activities as appropriate.
<i>Legal:</i>	GCC Legal Services will conduct due diligence on the process to provide support where required.
<i>Personnel:</i>	Personnel resources required to assist in the delivery of the overall programme will be supported through existing project resources.
<i>Procurement:</i>	No specific procurement matters.

Council Strategic Plan:	<p>The following Strategic Plan outcomes are supported:</p> <p>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</p> <p>Grand Challenge 2 – Increase opportunity and prosperity for all our citizens - Mission 2: Support the growth of an innovative, resilient and net zero carbon economy</p> <p>Grand Challenge 3 – Fight the climate emergency in a just transition to a net zero</p> <p>Glasgow – Mission 2: Become a net zero carbon city by 2030</p> <p>Grand Challenge 4 – Enable staff to deliver essential services in a sustainable, innovative and efficient way for our communities - Mission1:</p>
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Create safe, clean and thriving neighbourhoods

Equality and Socio-Economic Impacts:

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

Yes – generally supportive.

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

No significant impact.

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.

Climate Impacts:

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

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 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 – all projects will be assessed against how they contribute to meeting net zero.

Privacy and Data Protection impacts: None.

5 Recommendations

It is recommended that Committee:

- notes the contents of this report; and
- approves the proposed projects.