



**Glasgow City Council**

**City Administration Committee**

**Item 1**

**16th January 2025**

**Report by George Gilliespie, Executive Director of Neighbourhoods, Regeneration and Sustainability**

**Contact: David McEwan Ext: 07824 087493**

**PROPOSAL TO RELEASE THE APPROVED GRANT FUNDING TOWARDS  
THE CITIZENS THEATRE REDEVELOPMENT PROJECT**

**Purpose of Report:**

To inform committee of progress on the Citizens Theatre Redevelopment Project and to seek approval for officers to disburse the Council's additional £2m of funding which was approved at City Administration Committee (CAC) on the 20th June 2024.

**Recommendations:**

The City Administration Committee is asked to:

1. note progress on the redevelopment project;
2. approve disbursement of the additional £2m grant funding which was approved at CAC on the 20<sup>th</sup> June 2024.

Ward No(s): 8

Citywide:

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

## 1 Background

- 1.1. The Citizens Theatre building, which is a Council-owned asset, is leased to Citizens Theatre Ltd. The City Administration Committee, and formerly the Executive Committee, has considered reports on the redevelopment of the building on six occasions in recent years as detailed in Table 1:

*Table 1 – Previous Approvals at Committee*

Date	Title	Decision
27 <sup>th</sup> June 2013	Item 21 – Proposed Lease to Citizens Theatre Ltd.	Approved
23 <sup>rd</sup> January 2014	Item 11 – Terms Agreed for Grant of New Lease to Citizens Theatre Ltd.	Approved
12 <sup>th</sup> June 2014	Item 2 – Funding Support to Citizens Theatre Ltd.	Approved
22 <sup>nd</sup> February 2018	Item 2 - Support for the Citizens Theatre Redevelopment	Approved
7 <sup>th</sup> March 2019	Item 6 – Proposal to Grant Additional Funding Towards the Citizens Theatre Redevelopment Project	Approved
17 <sup>th</sup> August 2023	Shared Prosperity Fund – proposed Capital Funding Awards	Approved
20 <sup>th</sup> June 2024	Proposed additional £2m grant funding from GCC	Approved – subject to conditions

- 1.2. The redevelopment and restoration of this Category ‘B’ listed building will be the first comprehensive renovation in the building’s 140 year history. The renovation will secure the future of an ageing and vulnerable building as an essential theatrical, creative, and cultural hub for both the city and local communities, generating new levels of civic pride and excitement, and playing a leading role in the regeneration of the Gorbals, and the wider cultural economy of Glasgow. The redevelopment is a beacon project in the Laurieston regeneration area, and is a response to a deteriorating heritage building and to the Citizens’ ambition to be a critical partner in the social and economic regeneration of the local community.

- 1.3. The Citizens Theatre is currently operated by the Citizens Theatre Limited who occupy the building under a 99-year lease which expires in 2113.

## **2. Current Position**

- 2.1. At the City Administration Committee meeting on the 20<sup>th</sup> June 2024, members approved the provision of an additional £2m of funding from GCC towards the redevelopment costs. The approval was, however, subject to two conditions being met before the funding could be disbursed or released to the project:
  1. That a commercial “cost to completion” was agreed between the contracting parties (i.e. Kier Construction and The Citizens Theatre Ltd.);
  2. That a full funding package, that would enable all project costs to be met, was in place
- 2.2 During the discussion on this item at committee on the 20<sup>th</sup> June 2024, it was clear that the reason for the two conditions being applied was to protect the council from the risk of providing an additional £2m of funding, and the project still being unable to complete.
- 2.3 Subsequent to the committee meeting, the Scottish Government made a commitment to £8m additional funding for the project, which closed the funding gap substantially but not completely.
- 2.4 Additionally, a commercial cost to completion was agreed between Kier and The Citizens Theatre Ltd.
- 2.5 In the period between the committee meeting and now, the contractor has continued to competently progress the work on site, and all works that form part of the agreement have been completed, which will enable the Citizens Theatre Ltd to move into the building on the 20<sup>th</sup> Jan.
- 2.6 Although there remains a funding gap, given that cost to completion has now been agreed, and practical completion of the project has been achieved, the risk which the additional conditions set out in section 2.1 were designed to mitigate against have now been extinguished. It is therefore recommended that the additional agreed funding of £2m should now be disbursed.

## **3 Closing the Remaining Funding Gap**

- 3.1 The responsibility for filling the remaining funding gap rests with the Citizens Theatre Ltd with no liability attaching to the council. However, officers from GCC will continue to assist them in their efforts to fill the remaining funding gap and make good on the commercial agreement that has been established with the contractor.

- 3.2 Progress is being made on this by the Citizens Theatre Ltd who continue to seek funding from available sources including the UK Government, and private fundraising, as examples.

## 4 Policy and Resource Implications

### Resource Implications:

<i>Financial:</i>	The approved additional funding is coming from existing funding within the Council's "Common Good" fund.
<i>Legal:</i>	New/amended Grant Agreements will be prepared by the legal team in order to allow for the disbursement of the approved funding.
<i>Personnel:</i>	No impact.
<i>Procurement:</i>	N/A

**Council Strategic Plan:** The request in this report supports the following Grand Challenges and Missions:

Grand Challenge 1 Mission 4 – Support Glasgow to be a city that is active and culturally vibrant

Grand Challenge 3 Mission 2 – Become a net zero city by 2030

### Equality and Socio-Economic Impacts:

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

The request in this paper has no direct impact in this category, however, the project itself supports the Council's Equality Outcomes by making this asset more accessible.

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

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

### **Climate Impacts:**

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

The request in this paper has no direct impact in this category, however, the project itself supports the Council's Climate Plan by reducing energy consumption in the asset, and improving its environmental performance.

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

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

### **Privacy and Data**

**Protection Impacts:** No impact

Are there any potential data protection impacts as a result of this report  
Y/N

If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out

## **5 Recommendations**

The City Administration Committee is asked to:

1. note progress on the redevelopment project;
2. approve disbursement of the additional £2m grant funding which was approved at CAC on the 20<sup>th</sup> June 2024.