



**Glasgow City Council**

**Net Zero and Climate Progress Monitoring  
City Policy Committee**

**Item 2**

**16th April 2024**

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

**Contact: George McMillan Ext: 76151**

## **CITY PROPERTY GROUP CONTRIBUTIONS TO NET ZERO**

### **Purpose of Report:**

To provide the committee with an update on City Property Group's net zero contribution to date and the work planned to support Glasgow's net zero agenda.

### **Recommendation:**

That Committee notes the content of this report.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes ☐ No ✓

consulted: Yes ☐ No ✓

### **PLEASE NOTE THE FOLLOWING:**

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**Report to:** Net Zero and Climate Progress Monitoring City Policy Committee

**From:** Managing Director of City Property (Glasgow) LLP

**Date:** 16 April 2024

**Subject:** Update on City Property Group's net zero contribution to date and the work planned to support Glasgow's net zero agenda

## **1. INTRODUCTION**

- 1.1. This report provides the background and a look ahead on the activity of the City Property Group (herein referred to as City Property) in relation to assisting the City achieve its target of net zero.

## **2. CITY PROPERTY**

- 2.1. City Property is an arms-length external organisation (ALEO) wholly owned by Glasgow City Council (GCC). We own and manage one of the most significant commercial portfolios in the City which extends to around 1,800 commercial properties across a diverse range of sectors including but not limited to industrial, retail, office and land.
- 2.2. We work closely with GCC and are responsible for both the management and disposal of GCC's assets which are declared surplus to requirements. In addition to this, we assist the Community Renewable Energy Framework (CREF) to identify suitable vacant and derelict land sites for community led renewable energy development.
- 2.3. Our [Strategic Business Plan](#) for 2023-28 sets out our approach for the coming years and outlines how we will deliver our strategy through a combination of priorities and activities. Priority Area 2 of the Plan is to *optimise the benefit and sustainability of our property assets to enable a just transition to a net zero Glasgow*.
- 2.4. We firmly recognise the role we will play in assisting Glasgow, particularly in relation to the improvements of our own portfolio. This aligns with the net zero requirements of GCC and our business requirements to promote energy efficient assets to the commercial leasing market.

### **3. ACHIEVEMENTS TO DATE**

#### **3.1 Vehicle fleet**

- 3.1.1 Pool cars have now been completely upgraded from diesel to electric. In addition, we have reduced the fleet of diesel vans by 50% and upgraded to LEZ compliant vans (Euro 6). With improvements in electric van technology, we anticipate phasing-out diesel vehicles when they are due for replacement.

#### **3.2 Recycling**

- 3.2.1 City Property owns and operates the 32-acre Blochairn Wholesale Markets (Markets). Over 2 million tonnes of produce is distributed through the market resulting in significant waste. Our award-winning team successfully recycles 85% of all waste. This generates a saving of 60 tonnes of carbon/annum. The plant used to facilitate the recycling has also been upgraded to Euro 6 compliance.

#### **3.3 LED Lighting**

- 3.3.1 Our Markets site operates with limited *downtime* and is occupied throughout the night resulting in significant energy requirements. Low energy LED lighting installations have been implemented into circulation spaces and further opportunities identified for investment in renewable technologies, most likely PV (subject to a feasibility study).

#### **3.4 Heat Metering**

- 3.4.1 Our portfolio extends to assets that are multi-occupied by several tenants and implementation of sustainability offers additional challenges. Our approach is to lead by example and to educate others of the benefits of low energy usage and reducing our carbon footprint. A number of assets have benefitted from the introduction of heat meters within tenanted spaces. These provide building users with real-time and accurate energy usage to encourage ownership and to manage energy usage effectively and efficiently.

#### **3.5 Building Management Systems**

- 3.5.1 Building Management Systems (BMS) have been successfully installed by City Property in our larger multi-occupied assets. These actively promote efficiencies and assist the management of builds by identifying and alerting users of changes to typical energy patterns and trends.

### **4. FUTURE OPPORTUNITIES**

#### **4.1 Improving the Energy Efficiency of our Portfolio**

- 4.1.1 We continue to actively appraise our portfolio with our Technical Team working towards improving the condition and energy efficiency of our assets through the delivery of the capital investment plan for 2023-28. A capital plan of £15m has been allocated for this element of work and we have further dedicated 7.5% of the budget for only sustainability improvements.

- 4.1.2 Our Investment and Technical Team(s) assess and prioritise our capital projects which are naturally inclusive of enhancing energy efficiency and sustainability. This is a basic requirement of our business case for each capital project prior to consideration. Improvements in energy performance will be measured by our rolling asset management plan and specifically the energy performance certificates.

## **4.2 Repurposing Land Sites**

- 4.2.1 The Asset Maximisation, Valuations and Disposals and Technical Team(s) presently categorise land sites considered suitable for investment of PV and battery storage. This activity is in its infancy however, with further collaboration, we are optimistic planned feasibility studies may progress to new opportunities to actively promote these technologies where land sites are deemed challenging for otherwise typical developments.

## **4.3 Repurposing Buildings**

- 4.3.1 Our Asset Maximisation and Technical Team(s) have identified assets with the potential for repurposing. These assets are typically vacant and often require significant investment for change of use to stimulate opportunities for growth in a fluid property market. Where repurposing is financially viable, it would naturally encourage retrofitting and decarbonising.

## **5. CONCLUSION**

- 5.1. City Property recognise the significant impact our portfolio and activities have on environmental outcomes for Glasgow.
- 5.2. We have set ourselves a challenging plan for 2023-28 and will continue to improve the energy performance of our property assets whilst leading by example.
- 5.3. We would welcome opportunities in the future to collaborate with the GCC family by way of:
- Upskilling and training staff
  - Accessing additional funding and support
  - Accessing frameworks for energy efficiency consultancy services and works
  - Joint ventures
  - Sharing services

## 6. Policy and Resource Implications

### Resource Implications:

*Financial:* The financial implications are covered by City Property's capital plan budget 2023-28.

*Legal:* No direct legal implications.

*Personnel:* No direct personnel implications.

*Procurement:* No procurement implications.

**Council Strategic Plan:** Grand Challenge 2: Increase opportunity for prosperity for all our citizens.

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

### Equality and Socio-Economic Impacts:

*Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.* No specific equality related outcomes.

*What are the potential equality impacts as a result of this report?* No equality impacts identified.

*Please highlight if the policy/proposal will help address socio-economic disadvantage.* The proposal has no impact on socio-economic disadvantage.

### Climate Impacts:

*Does the proposal support any Climate Plan actions? Please specify:* Yes, Climate Plan Theme 3: Well Connected and Thriving City. Building rationalisation and retrofitting existing buildings.

*What are the potential climate impacts as a result of this proposal?* There are no potential climate impacts for this proposal at this time.

*Will the proposal contribute to Glasgow's net zero carbon target?* It is considered that the proposal will help decarbonise buildings and assist the City's net zero carbon target.

**Privacy and Data  
Protection Impacts:**

No privacy or data protection impacts identified.

**7. Recommendation**

That Committee notes the contents of this report.