



Glasgow City Council
City Administration Committee

Item 4

22nd August 2024

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 AMMENDMENTS TO CAPITAL FUNDING AWARDS**

Purpose of Report:

The purpose of the report is to update City Administration Committee on the capital funding element of the UK Shared Prosperity Fund, and to seek approval for the proposed amendments to the originally approved funding awards.

Recommendations:

It is recommended that Committee:

- (1) Notes the contents of this report;
- (2) Approves the proposed amendments to the funding awards.

Ward No(s):

Citywide: ✓

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

1 Background

- 1.1 At its meeting held on 18th August 2022, the Committee agreed the Glasgow element of the Glasgow City Region Investment Plan under the UK Shared Prosperity Fund (UKSPF). The fund will run for the three financial years from 2022/23 to 2024/25.
- 1.2 The fund has three investment priorities: Communities and Place, People and Skills and Supporting Local Business.
- 1.3 To deliver against the aims of the UKSPF, in addition to the revenue funded support outlined in previous committee papers there is also an element of capital funding of £3.6m to be spent by 31st March 2025. A [paper](#) providing more detail, and outlining Council's proposed approach to this funding allocation, was presented to CAC on 4th May 2023.
- 1.4 At the City Administration Committee of 17 August 2023, committee approved the allocation of the £3.6m capital as per the table 1.4.1 below:

Table 1.4.1 – Original Approved SPF Capital Awards

Project	Brief Description	Partner(s)	Proposed UKSPF award
Water Row community spaces	Fit-out of ground for space of housing development for community/business use	Govan HA	£643,420
Briggait Market Halls	Transformation of 1,200m ² of unused space and 70m of street frontage into spaces for events and creative industries	WASPs	£533,000
Whitevale Baths	Redevelopment of former Baths building with PEEK (Possibilities for Each and Every Kid)	GBPT/PEEK	£250,000
Citizens Theatre	Redevelopment of the Citizens theatre	Citizens Theatre	£1,500,000
Loading Bay 2 - learning hub	Create learning hub, office space, gym and lounge at Loading Bay skatepark, Port Dundas	Loading Bay	£250,000
QPR changing rooms	Redevelopment of derelict former changing rooms in Queens Park Recreation Ground.	South Seeds	£219,003
<i>Programme contingency</i>			<i>£204,577</i>
			£3,600,000

2. Programme Progress & Governance

- 2.1 As noted in section 3 of the report that was considered by committee on 17 August 2023, Officers from GCC NRS and Legal Services have undertaken robust governance arrangements in relation to: legal agreements with third party grant recipients, specifying project outcomes and timescales, grant claim processes, reporting and monitoring requirements, and where appropriate, clawback and subsidy control clauses.
- 2.2 As with all other UKSPF supported activities within the city, progress with the delivery of the fund has been regularly reported by the council's UK Funds Governance Board, and The Council, through the Glasgow City Region, have been reporting on a quarterly basis on actual and forecast expenditure on all supported activities and providing more detailed information, including data on outputs and outcomes, on a six-monthly basis.
- 2.3 Of the six projects allocated funding, one project has completed all of the appropriate grant paperwork and has already drawn down their funding allocation in full – Citizen's Theatre. A further three organisations have concluded their grant agreement paperwork and are now progressing their projects.
- 2.4 During the due diligence and grant agreement stage of the programme, it became apparent that funding offers would require to be withdrawn from one of the projects: Whitevale Baths.
- 2.5 Whitevale Baths has been unable to progress their project due to a funding gap and an inability to establish a funding package that would cover the entire cost of the project, as a result, the SPF allocation will be unable to be drawn down and spent within the timeframe required and therefore the SPF funding offer has had to be withdrawn.
- 2.6 The organisation noted in 2.5 above, has been informed.

3. Funds Redistribution

- 3.1 As a result of having unallocated contingency, and the requirement to withdraw funding offers from 1 of the 6 projects, a total of £454,577 is available for redistribution within the programme.
- 3.2 Given the length of time it can take to get through the due diligence and grant agreement phase of the process, officers are recommending that the available funds be distributed amongst the remaining approved projects, all of which have indicated that they require additional funding to complete their projects as originally planned or, have the ability to enhance their project with additional works.
- 3.3 Table 3.3.1 below, presents the proposed new capital allocations that we are seeking committee approval for:

Table 3.3.1 – Amended/Proposed SPF Capital Awards

Project	Brief Description	Partner(s)	Original Award	Proposed UKSPF award	Change
Water Row community spaces	Fit-out of ground for space of housing development for community/business use	Govan HA	£643,420	£793,420	+ £150,000
Briggait Market Halls	Transformation of 1,200m2 of unused space and 70m of street frontage into spaces for events and creative industries	WASPs	£533,000	£800,000	+ £267,000
Whitevale Baths	Redevelopment of former Baths building with PEEK (Possibilities for Each and Every Kid)	GBPT/PEEK	£250,000	£0	- £250,000
Citizens Theatre	Redevelopment of the Citizens theatre	Citizens Theatre	£1,500,000	£1,500,000	£0
Loading Bay 2 - learning hub	Create learning hub, office space, gym and lounge at Loading Bay skatepark, Port Dundas	Loading Bay	£250,000	£250,000	£0
QPR changing rooms	Redevelopment of derelict former changing rooms in Queens Park Recreation Ground.	South Seeds	£219,003	£256,580	+ £37,577
<i>Programme contingency</i>			£204,577	£0	- £204,577
			£3,600,000	£3,600,000	

4 Policy and Resource Implications

Resource Implications:

Financial:

Glasgow City Council has £3,600,000 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.

Legal: GCC Legal Services will provide appropriate grant terms for organisations to help deliver on the key objectives of this project.

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 2: Support the growth of an innovative, resilient and net zero carbon economy
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 - Mission 1: 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:

- (1) Notes the contents of this report;
- (2) Approves proposed amendments to the funding awards.