



**Glasgow City Council**

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

**Report by Executive Director of Neighbourhoods Regeneration  
and Sustainability**

**Contact: Mary Kerr**

**Ext: 78123**

**Item 8**

**23rd September 2025**

**Abundance Green Finance Platform – Glasgow’s Community Municipal  
Investment Platform**

**Purpose of Report:**

To provide the Committee with an update on the developments of the Community Municipal Investment Platform hosted by Abundance Investment Ltd and to note the projected launch dates.

**Recommendations:**

It is recommended that the Committee:

- Note the contents of this report.

Ward No(s):

Citywide: ✓

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

## **1 Introduction**

- 1.1. The purpose of this report is to provide an update on progress for the creation of Glasgow's Community Municipal Investment ("CMI"), through Abundance Investment Ltd ("Abundance"), which will be the first CMI in Scotland. The CMI will offer a low-risk, fixed return investment opportunity for citizens, communities and businesses, whilst raising capital to fund net zero projects for the benefit of the City.
- 1.2. A review of Abundance will be presented within this report as well as the CMI model. Thereafter, the proposed Glasgow CMI will be introduced detailing the ask and resource requirement GCC to progress the financing opportunity. The report will also detail the go live date for Glasgow's CMI funds.
- 1.3. This report has been created jointly by Economic Development and Neighbourhoods, Regeneration, and Sustainability, with guidance from colleagues in Legal Services and Corporate Finance.

## **2 Abundance Investments and CMI**

- 2.1. Founded in 2009, Abundance recognised the need to reinvigorate civic bonds. Regulated by the Financial Conduct Authority ("FCA"), Abundance created the UK's first regulated crowd funding platform in 2012. Working alongside Leeds University, the concept of CMI was initiated in 2020. The Abundance model makes investing accessible for all and allows citizens to invest their money into green projects within their city or further afield.
- 2.2. Since its launch, the Abundance CMI model has gained momentum raising over £14.9m of funding for green initiatives in over 15 UK local authority areas. CMIs are thought to improve attitudes towards local authorities by creating direct, visible links between local investment and community benefit. As a testament to improved civic trust and engagement, one in six investors participating in the West Berkshire Council's CMI reinvested their interest payments to support further net zero projects undertaken within the West Berkshire Council area.
- 2.3. Abundance operate the regulated crowdfunding platform, examples of live loan opportunities can be viewed on their [website](#). Their role is to fully administer the investment process, including investor onCommitteeing, payments and reporting. In addition, Abundance will be responsible for regulatory compliance and support GCC with marketing.
- 2.4. Each CMI offer will be open for investment for three months in total. The intention is that citizen, community and business investment is preferred. However, where the target loan amount has not been achieved, mission aligned institutional investors may also invest in the CMI's on approval by the local authority. These investors, Unity Trust Bank and Esmee Fairburn, have been appointed by Abundance and are committed to lending an initial £16m over the next 2 years to help raises reach the targeted amounts.

### **3 Glasgow's CMI**

- 3.1. Glasgow is committed to progressing its net zero ambitions but aims to do so in a way that additional benefits can also be achieved. There is a marginal cost benefit for GCC to use the Abundance CMI platform when compared to the alternative Public Works Loan Board ("PWLB") borrowing option. However, there are additional distinct benefits that can be achieved through the use of the CMI. The funds raised will be invested in energy efficiency improvements to GCC buildings as well as implementing 'Healthy Street' initiatives for the benefit of the City's communities.
- 3.2. The Abundance platform offers a low-risk investment option starting at £5, with no upper limit, to ensure that the investment opportunity is accessible to all. Each investor will receive a return in the region of 4% interest over the 5-year loan period. It is anticipated that the interest rate will be agreed one working day prior to launch of the relevant loan opportunity and be set so the total cost of the borrowing to the Council is below alternative lending rates. In addition to the financial gain through interest payments, citizens, communities and businesses that invest can take pride in being involved in progressing our City to net zero.
- 3.3. The first project that will be funded is the delivery of a large number of solar PV arrays. GCC has recently completed the installation of £1.2M worth of solar panels, including the installation of a 600kW array on the historic Kelvinhall building in Glasgow's West End. From procurement to final delivery, this work was completed in 12 months. Moving forward, GCC has a project pipeline of 36 sites at a cost of £8M, with a projected ongoing annual saving of £1M in energy costs. The £1m of capital raised through the CMI will make an important contribution to the delivery of projects within this pipeline. This loan opportunity is currently scheduled to be published in September 2025.
- 3.4. In addition to the pipeline of solar projects, GCC seeks to utilise £1m to support the delivery of a number of projects to increase the number of 'Healthy Streets' in the City. This includes, but is not limited to, localised liveable neighbourhood initiatives and active travel related initiatives. This loan opportunity is currently scheduled to be published in March 2026.
- 3.5. In addition to the interest payable on the CMI borrowing, GCC will be required to pay fees to Abundance for its role as arranger and agent. These will comprise of a one-off setup fee of 0.75% of the total loan amount raised and an administration fee of 0.20% of the remaining outstanding loan amount in each year of the loan term. The payment of these fees is considered in the calculations of repayment, resulting in the borrowing continuing to be below PWLB rates.
- 3.6. To proceed with the CMI, GCC is required to accept Abundance's terms and conditions which include:

- an Engagement Letter which details the Services that Abundance will provide to GCC and the obligations of the parties to each other;
  - Key Terms; and
  - Loan Conditions
- 3.7. These documents are commercially sensitive and updated for each local authority however they are being considered for use by our corporate legal team and finance team.
- 3.8. Following an initial assessment of the documents the legal department has sought external legal clarification to confirm that the Abundance arrangement does not trigger a requirement for GCC to be FCA regulated. External advice has confirmed that, for the purpose of the CMI, GCC does not need to be FCA regulated and that this responsibility lies with Abundance.
- 3.9. Finally, there is a responsibility on GCC to maintain the monthly loan payments, this will become part of the corporate borrowing process. The GCC project team will provide Abundance with updates on projects, which will be managed through the project governance and reporting process to ensure that investors are updated on progress.

## 4 Governance

- 4.1. The CMI approach was approved by Full Council on 20<sup>th</sup> February 2025 as part of the 2025/26 budget [report](#). An extract from the report is shown for reference with the last two references being for the Community Borrowing Scheme (or CMI):

<b>25NR99</b>	<b>Climate Emergency Capital Fund</b> This option includes £4m of new borrowing to add to the Scottish Government capital allocation of £4m for tackling the Climate Emergency and includes:  <b>£4m Renewable Energy &amp; Retrofit for GCC Estate</b> Investment to fast track solar panel roll out on GCCs buildings as well as build on energy efficiency work including building fabric improvements and sustainable heat sources. <b>£1m Nature-Based Flood Prevention</b> Fund for nature based preventative spend to reduce pressure on drainage and flooding issues across Glasgow. Aim to roll out rain gardens in problem areas within all council wards. <b>£1m Community Renewable Energy Framework</b> Action on Community Renewable Energy via GCC's Framework (CREF), including delivering some of on identified sites and buildings leased via PMGC to support a just transition. <b>£1m Community Borrowing Scheme - Solar Panel Roll Out</b> Community borrowing scheme for solar panels on GCC's estate. Scheme allows for residents to invest a minimum of £5, and allows for faster action on Climate. <b>£1m Community Borrowing Scheme - Healthy School and Care Streets Programme</b> Programme focused on greening and public realm improvements outside of schools and care facilities in Glasgow.	<b>4,000,000</b>
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- 4.2. Financial reporting on the funds borrowed through the scheme will be presented as part of future Treasury Management reports to Committee.
- 4.3. A report was presented to the Climate and Sustainability Committee on 18<sup>th</sup> August 2025. This meeting is chaired by the Executive Director of Neighbourhoods, Regeneration and Sustainability and is attended by the Executive Director of Finance. At this meeting the intention to proceed with the CMI, subject to the conclusion of the legal agreement and advice on regulations was noted.

## **5 CMI Release dates**

- 5.1. GCC will release 2 loan opportunities to the value of £1m each. The first will be published following presentation to the Net Zero and Climate Progress Monitoring City Policy Committee. The interest rate for this has been set at 4% for investors, as agreed at a meeting between GCC and Abundance on 29<sup>th</sup> August 2025.
- 5.2. The second loan opportunity, with a focus on Healthy Streets, aims to be launched in March 2026, the interest rate for this will be set in advance of the launch date. The launch dates have been staggered to ensure that community investment is maximised and that should anyone miss the first they will have the opportunity to apply to the second.
- 5.3. Finally, the marketing and promotion of the CMI has been agreed by corporate PR and an appointed officer continues to liaise with Abundance on the promotion.

## **6 Policy and Resource Implications**

### **Resource Implications:**

<i>Financial:</i>	This report presents the implementation of a community investment platform to enable public investment into green infrastructure. There will be an agreed return on the investment and administration fees to be paid. £2m has been reserved and approved in the Council budget to directly address this.
<i>Legal:</i>	The immediate legal consideration is signing of the loan conditions and engagement letter. These documents will be subject to review by the Director of Legal and Administration prior to conclusion.
<i>Personnel:</i>	Although no extra staff will be required to manage and monitor the Municipal Investment Platform as this is operated by Abundance, there is a requirement for local

communications specific to GCC's CMI. The press office has been made aware of this ask and will support the further marketing endeavours.

*Procurement:*

There is no known procurement issues related to this report as the request is a financial instrument and not a procurement of services.

**Council Strategic Plan:** This work underpins Grand Challenge 3 of the Strategic Plan on fighting the climate emergency in a just transition to net zero.

**Equality and Socio-Economic Impacts:**

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

The focus of this report is to provide an additional financial instrument that provides additional benefits for citizens. The projects progressed with the investment will support outcomes 1, 7, 8 and 9

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

The CMI will be accessible to every resident with the starting investment being as little as £5.

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

This opens up financial participation among groups who might otherwise be excluded and therefore shows promising indicators for social value and inclusion.

**Climate Impacts:**

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

This report supports the Climate Plan actions by providing an additional financing opportunity for Net Zero projects.

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

This report will allow GCC to progress climate projects whilst encouraging citizens to be personally involved in the financing of the interventions for the benefit of the City. This has the opportunity to support behavioral change for climate related interventions.

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

Mobilisation and delivery of the projects within the Climate Plan will help us to achieve the Net Zero targets.

### **Privacy and Data Protection Impacts:**

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

This report has no impacts on privacy or data protection. The personal data collected through the CMI will remain the responsibility of Abundance Investment.

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

## **7 Recommendations**

7.1 It is recommended that the committee:

- Note the contents of this report.