

Item 4

14th November 2025



Canal Area Partnership

Report by: Programme Manager, Neighbourhoods Regeneration and Sustainability

Contact: Nicola McPhee e-mail: NIIFEnquiries@glasgow.gov.uk

The Neighbourhood Infrastructure Improvement Fund (NIIF) – Progress Update

Purpose of Report:

To provide the Area Partnership with an update on progress with governance arrangements for NIIF

Recommendations:

The Area Partnership is asked to note the contents of the report.

1. Background

- 1.1 In December 2024, a dedicated team of staff were tasked with reviewing the current process for NIIF and the backlog of requests already received, as well as devising clear guidance and processes for its management going forward.
- 1.2 Guidance was provided to assist community members and Area Partnership Chairs in identifying proposals for the use of the fund which meet the criteria and contain the required information to enable NRS to progress these.
- 1.3 At the April/May 2025 round of Area Partnerships, all previous records held by NRS were presented to the Area Partnerships for them to advise NRS of which they still wanted to be progressed.
- 1.4 At those meetings, Area Partnerships were also asked to advise NRS of any requests that were missing from the reports and to submit any new requests for estimates. This resulted in a total of 616 requests to be reviewed.

2. Progress to Date

- 2.1 Between May and July 2025, NRS prepared detailed NIIF reports for each Area Partnership that included estimates for proposed NIIF ideas and spend to date.
- 2.2 Estimated costs for NIIF ideas were presented to the August/Sept meetings totalling £13,070,936.78 in estimates. This is more than half of the NIIF budget.
- 2.3 Appendix 1 shows a breakdown of spend and estimates sent for approval to each Area Partnership prior to the last round of meetings. This does not include any estimates approved at the August/September meetings within committed spend.
- 2.4 This shows significant progress in the management of the process and has provided Area Partnerships with the ability to make informed decisions on how to allocate funds.
- 2.5 However, there have been some issues which conflict with the necessary governance procedures for the fund as follows, and these need to be resolved for the process to work effectively:

3. Procurement Legislation and NIIF

- 3.1 In 2024, following discussion with Area Partnership Chairs, and the need to ensure appropriate governance for public funding, criteria for NIIF funding decisions was reviewed by senior officers within the Council, including Internal Audit and Corporate Finance.

- 3.2 A report was submitted to Area Partnerships in August 2024 outlining this and the criteria for the fund. (attached as appendix 2) A process was agreed to ensure that all NIIF decisions are aligned to external audit requirements.
- 3.3 Glasgow City Council are required to adhere to the rules and regulations laid down by procurement legislation, Scottish and UK law, published government guidance and best practice.
- 3.4 Working for the public sector requires specific procedures to be followed in relation to our procurement activity.
- 3.5 Glasgow City Council Standing Orders are mandatory for all procurement that takes place in the council. These standing orders set out how purchase of goods, services and works will be made by or on behalf of the council.
- 3.6 For this reason, NIIF **proposals should not be costed by external contactors or suppliers before being put forward**. All proposals need to be costed within GCC in line with our procurement procedures. This has also been outlined in the detailed guidance issued to all Area Partnerships in January 2025 (attached as appendix 3)
- 3.7 **All proposals MUST be costed by NRS**. Estimates should not be provided by external suppliers as part of the proposal process, and where this has happened, NRS will still provide an estimate using their own internal processes.
- 3.8 NIIF cannot be awarded directly to suppliers or contractors that have been engaged directly by Community Councils, local organisations or Area Partnership members, this instead needs to be done using the council's recognised routes.
- 3.9 Unfortunately, this process has not been followed for some requests, with local organisations providing their own quotes from contractors. In some cases, where Area Partnerships have then approved the request to be costed by NRS to provide an estimate, the organisation who submitted the idea, have believed this to mean their own costs have been approved and that they can receive NIIF funding directly to cover these.
- 3.10 As a result, the ideas put forward in this way have been unable to be progressed to costing by NRS and NIIF could not be awarded. It is, therefore, critical that Area Partnerships make any organisations putting forward ideas for NIIF aware of the process and that it is made very clear that costs for works can only be funded through the NRS procurement route and that NIIF spend is only approved once an estimate has been received and approved by an Area Partnership.

4. Murals – NIIF

- 4.1 NRS are currently formalising appropriate governance arrangements for the funding of murals through NIIF.
- 4.2 NRS recognise the value of this type of artwork in communities and want to support this through the provision of NIIF funding wherever possible.
- 4.3 To achieve this, NRS are working closely with procurement colleagues to agree an approach for the delivery of murals. We appreciate that delays in implementing this are frustrating for Area Partnerships, however, it is essential that delivery of the NIIF funding is carried out with due diligence by the Council.

5. Continued Management of NIIF Process and Governance

- 5.1 It should be noted that this funding is capital expenditure and therefore can be carried forward to be spent in future financial years, though funding should ideally be fully committed by 31 March 2027.
- 5.2 NRS now have an established governance team in place for NIIF and they are working closely with officers throughout the wider department to progress a substantial number of NIIF requests.
- 5.3 There is currently no deadline set by NRS for submission of new NIIF ideas, however, Area Partnerships are encouraged to review their current committed NIIF spend and consider new ideas for costing accordingly.
- 5.5 The next full NIIF report will be presented to the February Area Partnership meetings and will include estimates and progress updates on previously approved NIIF spend.