



Glasgow City Council

**Economy, Housing, Transport & Regeneration
City Policy Committee**

Report by Director of Regional Economic Growth

Contact: Graham Smith Ext. 77258

Item 2

18th November 2025

Economic Development Update

Purpose of Report:

This report provides Committee with a background to the work carried out by Economic Development and an update of activity across the Division over the last 6 months.

Recommendation:

Committee is asked to:

- note the report; and
- consider the activity of Economic Development over the period.

Ward No(s):

Citywide: ✓

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

1. Introduction

- 1.1 This paper provides a background to the Economic Development function within the Council, providing information on the main areas it covers, as well as presenting key achievements since the previous report to Committee on 3rd June 2025. It concludes with performance monitoring data regularly reported through the Chief Executive's Senior Management Team.

2. Background

- 2.1 Glasgow City Council's Economic Development team is responsible for delivering the city's [Economic Strategy](#), which defines the actions we are taking to deliver an inclusive, sustainable and more productive economy for our city.
- 2.2 The Division has a wide-ranging remit with teams working in collaboration with city partners to deliver our goals. More information on the various teams within the division is below.
- 2.3 There are ten key component parts to the division: Business Glasgow; Employment & Skills; Invest Glasgow; Green Economy, Innovation & International; Digital Economy; Grants & Monitoring; Glasgow Film Office; Strategic Projects; UK Shared Prosperity Fund (UKSPF); and Marketing and Communications. Further detail of each area is provided within the [Economic Development Annual Report](#).

3 Key achievements over the last 6 months

3.1 *Business Growth*

- 3.1.1 Business Glasgow - The Business Growth team provides a range of business support interventions, with a dual focus of increasing the number of start-ups in the city and helping existing Small and Medium Enterprises (SMEs) to capitalise on their growth potential. This Financial Year 25/26, the team has directly supported 454 unique businesses.
- 3.1.2 Of this, 205 are new enterprises, supported to start trading by the Start-up and Social Enterprise team. Interventions are delivered primarily through our in-house business advisory service. Often, this guidance is supplemented by a small Business Start-up grant, of which 163 have been awarded this financial year, representing an investment of over £100,000 into new SMEs. In addition, referrals will also be made to third party providers of support and/or funding, where appropriate.
- 3.1.3 The Growth team continues to support SMEs in high growth sectors to expand their operations and enter new markets. Advisers work in collaboration with suppliers on the Glasgow Business Growth Framework to offer expert support

at this critical stage in the business lifecycle. This Financial Year, 37 SMEs have been awarded over £200,000 of expert support via the Framework.

- 3.1.4 The Social Innovation Challenge Fund, the first of its kind in the city, works collaboratively with communities to design interventions that remove the systemic barriers to entrepreneurship faced by underrepresented groups. An overall budget of £250,000 for 25/26 has been allocated, and to date, in excess of £230,000 has been awarded, with 45 participants receiving tailored support. All participants are signposted into the Business Glasgow team, a bridge into existing mainstream services. A partnership has been formed with the Minoritised Enterprise Policy & Action Lab Scotland (MEPALs), a nationwide group that allows sharing of best practice and advocacy in this area. Most recently, this saw the delivery of an Entrepreneurship Expo in Glasgow's Central Mosque, which brought together different minority groups to access a range of enterprise and employability support.
- 3.1.5 The successful Step Up to Net Zero circular economy demonstrator moved into its third phase, delivering support to 14 individuals and 14 Glasgow SMEs. This offers on-the-job training to Glaswegians who are looking to retrain or upskill in sustainability, as well as providing SMEs with a dedicated resource to explore circularity within their business. £300,000 has been allocated to this programme for FY 25/26.

3.2 *Employment & Skills*

- 3.2.1 Glasgow Futures is the city's all-age, holistic employability programme, supporting over 5,000 people annually through £18.7m of investment. It targets those furthest from the labour market and addresses in-work poverty by helping individuals in low-paid or insecure jobs to progress. The programme is governed by the Local Employability Partnership (LEP), chaired by Glasgow City Council and comprising public, private, and third-sector partners.
- 3.2.2 Recent developments have included the establishment of two new skills projects that will provide dedicated support to Glasgow Futures participants through vocational ESOL provision, and literacy and numeracy training. These projects are being delivered by Glasgow Life and will support over 1,000 participants per year.
- 3.2.3 Following a recent evaluation, the LEP is developing a new outcome-based commissioning framework that prioritises collaboration over competition. With three major contracts ending in October 2026 covering training for work, paid placements, and support for disabled parents, planning is underway to ensure continuity. New grant-funded opportunities will be advertised in January 2026 to address gaps in employer engagement and progression support for work-ready individuals and disabled parents.
- 3.2.4 The Glasgow Guarantee, which has supported over 11,000 people and 2,500 businesses since 2009, will be fully integrated into Glasgow Futures by April 2026. £2.6m Council investment will continue to fund employer recruitment incentives.

- 3.2.5 There is also an opportunity to align investment with areas of the economy experiencing significant skills gaps. These are predominantly at foundational and technical levels across all areas of industry, including the foundational economy and growth sectors. In some areas, such as life sciences, renewable energy, the creative industries and marine sectors, the lack of skilled workers is impacting further investment and growth.
- 3.2.6 As such, a Skills Investment Fund is in development for launch in February 2026. This programme will provide a mechanism for training providers and employers to access funding in a way that simultaneously addresses demonstrable skills gaps and supports those out of work or in low paid employment.

3.3 *Invest Glasgow*

- 3.3.1 Invest Glasgow is the city's investment promotion agency and works with key city stakeholders to promote and secure inward investment to Glasgow. In June 2025, Ernst & Young's (EY) Attractiveness Survey 2024 has once again revealed that Scotland is the UK's top location for Foreign Direct Investment (FDI) outside of London, marking a decade in that position. With 135 projects, it also makes Scotland the sixth best-performing region in Europe.
- 3.3.2 Glasgow has reclaimed its place as Scotland's leading city for FDI securing 27 projects in 2024. Glasgow was also the second-most popular UK city outside of London for FDI, after Manchester. The US remains the largest source of projects in Scotland. There were 28 Glasgow projects in 2024/25, up 65% from the previous year.
- 3.3.3 The EY Survey comes on the back of the latest Global Financial Centres Index Report (GFCI) which evaluates 119 global cities bi-annually in March and September. GFCI ranked Glasgow 32nd globally, alongside the world's top financial centres. This reflects a steady improvement as Glasgow's reputation grows. This is an improvement of 5 places since the last report in September 2024 with consistent and steady progress in each report since March 2021 when Glasgow ranked 62nd. Glasgow now also sits comfortably in the Top 15 of Western European centres. It is 11th, ahead of Lugano, Berlin, Guernsey and Hamburg.
- 3.3.4 In August 2025, the Glasgow Investment Group (GIG) was established, following a recommendation from the Corporate Leadership Team. This recognises the need for a new approach to attracting external investment into the city, with a greater focus on collaborative decision-making across the Council family to prioritise projects and business case development. Key outputs from the GIG will include establishing a project prioritisation framework for investment and identifying a live list of capital projects. This work aligns with the model put in place at a Regional level, supported by the National Wealth Fund, to identify projects for investment.

3.4 *Green Economy, Innovation & International*

3.4.1 The Green Economy, Innovation and International function is a broad area covering three key elements of the Division's work and delivering a broad range of activity over the last year.

3.4.2 Led by the Green Economy team, the Council established a cross-party Just Transition Working Group, which made 18 recommendations for supporting Glasgow's workers, businesses and communities to move towards a net zero city and ensure equity and fairness as they do so. Progress includes:

- the second annual update on this agenda presented to the Net Zero Committee on 20th January 2026;
- maintaining a key focus on the delivery of the Just Transition Skills Action Plan, and engaging with local communities to ensure that the transition is both meaningful to them and that they can play an active part in shaping it;
- delivery of a second round of the Bloomberg-funded Youth Climate Action Fund, which has funded twenty projects with young Glaswegians;
- establishing work on an EU Horizon-funded project, called GreenDEMO, with a range of European city partners on support for a green transition and ensuring that local people are at the heart of it; and
- continuing to play an active role in the Global Resilient Cities Network, its Board being chaired by the Leader of the Council, and which links Glasgow to many other cities around the world on issues of climate, economic development and social justice.

3.4.3 The Model for Climate Investment, led by the Climate Finance Manager in Economic Development, is actively working to establish the most suitable commercial model for the council. The Strategic Outline Case, due to be presented to the Net Zero and Climate Progress Monitoring City Policy Committee in November defines the short list of commercial options being progressed to Outline Business Case. In September 2025 Glasgow launched the first Community Municipal Investment fund in Scotland through [Abundance Investment](#) to finance £1m towards the council's solar project. This initiative serves as a key example of the Council exploring innovative financing models to support climate projects.

3.4.4 The Innovation team has continued to support Glasgow City Region by co-ordinating an Innovation Accelerator programme with projects across a range of key sectors, as well as developing wider opportunities for the local innovation eco-system. These are intended to bring novel products and processes to market, grow well-paid jobs, and help to close the productivity gap for Glasgow in line with the key missions of the city and regional economic strategies. They build on local strengths around advanced manufacturing, life sciences, quantum technology, and financial services. The principal activities include:

- allocation of further UK Government funding of £10 million for 2025-6 for the Innovation Accelerator programme, following a £33 million investment for 2023-25;

- confirmation that the Innovation Accelerator project portfolio has realised more than the 1:1 target of co-investment against national funding in its current delivery phase;
- establishment of an industry-led Innovation Group as part of the Glasgow Economic Leadership arrangements;
- work with partners on the six themes of the Regional Innovation Action Plan, including recognition of the key role of the FE sector, with Colleges in Glasgow City Region receiving £1.2million of Innovate UK funding in both 2024/5 and 2025/6 to deliver support to local businesses;
- further UK Shared Prosperity Fund support of £680K for the city's two Innovation Districts for 2025/6; and
- support for Glasgow City Region in determining the submission for the next round of UK Government funding through the £50m Local Innovation Partnerships Fund from 2026/7 onwards.

3.4.5 The Council, led by the International team, has drafted a new International Strategy through a process of engagement with local partners. This was agreed by the City Administration Committee at its meeting of 7th November 2024. Subsequent activities in support of this agenda have included:

- allocation of a budget from the UK Shared Prosperity Fund to support local SMEs to attend overseas trade missions and events and support their internationalisation in terms of export growth and inward investment, focused on key innovation sectors. These have included trade missions led by the Glasgow Chamber of Commerce to Singapore, Shanghai and Bremen, as well as attendance at the Smart Cities Expo in Barcelona and further missions led by the Innovation Districts;
- establishment of a new International group as part of the Glasgow Economic Leadership arrangements, which had its first meeting on 23rd October 2025;
- hosting delegations from key market areas to support further international links and potential investment opportunities, especially in relation to innovation sectors, including ones from Japan, South Korea, China and the United States;
- engagement with a range of global city networks on peer learning and potential market opportunities.

3.4.6 Further enhancement of the close working relationships across Economic Development between the innovation and international agenda and the Invest Glasgow team will take place with location of the Destination Management & Marketing Office (DMMO) function within the service.

3.5 *Digital Economy*

3.5.1 The Digital Economy team has published a number of deep dive reports in a new data-driven storytelling series entitled *Why Glasgow?*, that aims to shine a light on distinct clusters of strength in the innovation ecosystem offering investable opportunities at the regional level. The deep dives feature short videos introducing each cluster, showcasing some of the notable people, companies and support organisations driving this growth and demonstrating

how government, academia, industry and the NHS are partnering to elevate this work. To date, reports on Smart Things and Space Tech have been launched with a third in the works on MedTech to be delivered by year-end.

- 3.5.2 The team has designed and delivered grants via the Tech Ecosystem Event and Meetup Subsidies to further increase the level and consistency of Glasgow's market square activity across the tech ecosystem and contributed to buoyancy in the digital economy. This has spanned support to sectors and organisations from health-tech, ed-tech, games, deep-tech and robotics and topics including ecommerce, AI, diversity, JavaScript and recruitment.
- 3.5.3 On 27th October, Glasgow No-Code was launched. This is a new digital skills pilot programme running in partnership with UK-based Venture Studio, Greater Things and our three city-based colleges: City of Glasgow College; Glasgow Clyde College; and Glasgow Kelvin College, with wraparound support from the Royal Bank Accelerator. Enabled by UK Shared Prosperity funding, it is targeted at students, tutors and early-stage founders and will provide the tools required to build without needing to code, helping the city grow a new wave of digital talent. From an Idea2App Accelerator to online Bootcamps, it is designed to lower barriers to entry for aspiring tech entrepreneurs by enabling rapid app development using no-code tools and foster innovation and entrepreneurship among underrepresented groups and young people. It will achieve this by upskilling the local workforce to meet future digital demands and, by aligning with the successful CLIC work being delivered by the College sector, support business growth by showing SMEs how this approach can drive innovation and tackle digital challenges.
- 3.5.4 From 4th to 6th November, alongside colleagues in Digital Office and International teams, will support Smart City Expo World Congress in Barcelona, expected to have over 25,000 attendees and more than 1,100 exhibitors. The Glasgow delegation, which will include a number of SMEs operating in the 'smart city' space (supported by the International Fund) – will participate alongside other key UK locations including Greater Manchester and West Midlands – on the UK Pavillion of the Connected Places Catapult. This is the first time Glasgow has had a presence at the Fair where the team will take the opportunity to participate, promote and connect Glasgow City Region's collective smart city offering to global business, partners and investors across the key Expo themes.

3.6 *Grants and Monitoring*

- 3.6.1 The Grants and Monitoring team is in the final stages of assessing 464 applications for funding from the third phase of the Glasgow Communities Fund (GCF3), which will run between 2026-2029. An Oversight Group comprising of senior strategic lead officers across the Council family, lead on the planning, design and delivery of the GCF3 [Assessment Framework](#).
- 3.6.2 Following extensive collaboration with Council family officers in the assessment of applications, the team is working towards consideration of GCF3 funding

recommendations by the City Administration Committee on 20th November 2025.

- 3.6.3 The team has also supported the delivery of the Glasgow's Holiday Programme during the Summer and October school breaks. Staff visited each of the 59 projects supported by the programme, experiencing first-hand the variety of activities being delivered in our communities, providing support to families across the city. Working alongside the Employment and Skills team, work continues to monitor delivery and compliance of the Glasgow Futures programme. This involves supporting and engaging with delivery agents, and provides participant data and statistical analysis which is reported quarterly to the Scottish Government.

3.7 *UK Shared Prosperity Fund*

- 3.7.1 As part of the *UK Shared Prosperity Fund (UKSPF)* Glasgow was awarded £11.8m for the UKSPF one year extension for 2025/26 and projects, the majority of which are continuing from the original programme, were approved at CAC on 30 January 2025 and are now underway. The programme is led by Economic Development and covers both revenue and capital projects across the themes of Communities and Place, Supporting Local Business and People and Skills.

It is expected that the UK government's forthcoming Spending Review on 26 November will confirm the funding that will be available under the Local Growth Fund, which is replacing the various 'levelling up' funding streams, including UKSPF. There is currently uncertainty about how this funding can be utilised and whether the funding for some recently announced programmes like the Pride and Place programme will be top sliced from the overall amount.

3.8 *Strategic Projects*

- 3.8.1 The Strategic Projects team are progressing work across several key areas to support the Council's long-term strategic objectives. Current priorities include strengthening internal capacity, assessing how divisional activities contribute to tackling child poverty, improving the use of internal and external data sources, and enhancing stakeholder engagement.
- 3.8.2 Alongside this forward-looking work, the team is undertaking a review of the Glasgow Economic Strategy 2022–2030. This review will report on thematic achievements to date and outline future priorities. It is anticipated that the findings will also provide valuable lessons learned from the current strategy, informing the development of the next iteration.

3.9 *Glasgow Film Office*

- 3.9.1 Glasgow continues to be an attractive location base for film and television production. Figures for 2024 show that Glasgow Film Office dealt with 221 enquiries that converted into 137 productions. The estimated local spend for the year is £32.m, an increase of £10m on 2023's spend. Productions that

contributed to this total include feature films The Running Man and I Swear and TV shows The Buccaneers (Apple TV), Shetland and Vigil (both BBC). 2025 looks to be a very successful year with 3 large scale US productions. JJ Abram's Ghost Writer (WT), Joel Coen's Jack of Spades and the latest instalment of the Spiderman franchise, all choosing the city for major on-street action scenes, in addition to several UK dramas basing their productions in the city.

- 3.9.2 Screen Scotland's recently published [Economic Value of the Screen Sector 2023](#) reports that Glasgow represents 36.5% of direct employment and 41.0% of direct GVA in the screen sector in Scotland. Glasgow's screen cluster generated 3,160 FTEs of direct employment and £188.1 million in direct GVA in 2023. Glasgow also accounted for the largest share of the total economic impact of the screen sector in 2023 with a 31.0% share of the total employment impact and a 32.4% share of total GVA impact.

4 Performance Monitoring

- 4.1 The Chief Executive's Senior Management Team (SMT) meet quarterly to review wider service priorities and performance.
- 4.2 The table below shows the outcomes, targets and performance reported over the current financial year:

Outcome/ Theme / Strategy	Milestone / Target 2025/26	Q2 2025/26	Performance Note	RAG (Red/ Amber/ Green)
Number of businesses receiving advice and support from GCC Business Team	1200	454		G
Number of Glasgow residents who started their own business as a result of our support	500	205		G
Number of businesses receiving specialist consultancy support aimed at growing their business	83	37		G
Number of businesses	40	37		G

Outcome/ Theme / Strategy	Milestone / Target 2025/26	Q2 2025/26	Performance Note	RAG (Red/ Amber/ Green)
receiving support aimed at enhancing business digital performance				
Number of businesses supported through the Green Business Grant	15	2		G
Number of businesses supported through the Tech Grant (Event, Meet-up & Rent)	25	26	12x Event, 6x Meetup, 9x Rent Note: one business supported with both Event & Meetup	G
Number of jobs created by Glasgow Inward Investment Projects	2,000	2,887	2,887 new jobs announced to date. A number of these are future projects with job estimates that will be confirmed in due course.	G
Number of new Investments	20	18		G
Number of company expansion projects	10	13		G
Number of anticipated children and young people identified as service beneficiaries by the Holiday Programme Providers.	39,697	23,289	Summer 25 – 23,289 October 25 – TBC Spring 26 - TBC	G
Number of employability engagements	5,330	2,396	Project is on target to reach full engagement figures	G
Total number of engagements who progressed into employment, Further/Higher education, modern apprenticeships, school,	2,334	1,022	Project is on target to reach full progressions. Not all outcomes will be displayed in the current figure due to natural delays in monitoring. Updated Q1 and Q2 figures will be available in Q3.	G

Outcome/ Theme / Strategy	Milestone / Target 2025/26	Q2 2025/26	Performance Note	RAG (Red/ Amber/ Green)
volunteering, self-employment.				

5. Policy and Resource Implications

Resource Implications:

Financial: None. Projects and activities are funded through a combination of GCC budgets complemented by Scottish and UK Government funding.

Legal: Legal Services provide guidance and support to a range of activity, including Subsidy Control and Grant Agreements.

Personnel: None. Activities are delivered by Economic Development staff or partners/city stakeholders

Procurement: Procurement advice and guidance is provided when necessary to ensure compliance when purchasing services.

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 Yes. Specifically Tackling Poverty, Reducing Health Inequalities and Empowering Communities

What are the potential equality impacts as a result of this report? The Council's activity as detailed in this paper has the potential to reduce poverty, create well-paid jobs and support inclusive growth.

Please highlight if the policy/proposal will help address socio economic disadvantage. The provision outlined in this paper is designed to support the most socio-economically disadvantaged individuals in the city. 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: The work noted in this report both contributes to the key aims of the Climate Plan in relation to a greener economy and innovation for net zero, particularly through learning from global peer city networks.

What are the potential climate impacts as a result of this proposal? This work looks to align trade and investment with the city's net zero ambitions and therefore support a range of positive climate impacts.

Will the proposal contribute to Glasgow's net zero carbon target? Yes, this approach is a contributor to the realisation of the city's net zero target through supporting businesses in this sector to grow.

Privacy and Data Protection impacts: This report has no impacts upon privacy or data protection.

6. Recommendations

6.1 Committee is asked to:

- note the report; and
- consider the activity of Economic Development over the period.