
Report To:	Environment and Regeneration	Date:	15 May 2025
Report By:	Director, Environment and Regeneration	Report No:	ENV019/25/SJ/NM
Contact Officer:	Neale McIlvanney	Contact No:	01475 712402
Subject:	Glasgow Region City Deal – Commercial Space Programme		

1.0 PURPOSE AND SUMMARY

- 1.1 ☒ For Decision ☐ For Information/Noting
- 1.2 To advise Committee of the Glasgow City Region City Deal project to support commercial space development.
- 1.3 At the Glasgow City Region Cabinet meeting in February 2025, it was agreed to attribute reallocated City Deal funds to a regional commercial space project. This resulted in an allocation of £11.125m capital funding to support delivery of new and upgraded commercial space within Inverclyde.
- <https://onlineservices.glasgow.gov.uk/councillorsandcommittees/submissiondocuments.asp?submissionid=117010>
- 1.4 This report provides an update on the programme and anticipated future stages of project development. The report also seeks delegated authority to advance with project development in line with funding requirements to Full Business Case stage for the project.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee: -
- (a) Notes progress on the Glasgow City Region Deal Commercial Space programme; and
 - (b) Delegates authority to officers to advance preparation of the project to Full Business Case stage.

Stuart W Jamieson
Director, Environment & Regeneration

3.0 BACKGROUND AND CONTEXT

- 3.1 At the February 2025 Cabinet, Glasgow City Region agreed to reallocate residual funds within the Glasgow Region City Deal to a commercial space regional project. The project initiated from an expression of interest submitted to the Glasgow City Region Project Management Office by Inverclyde Council in May 2024, which sought to establish a regional '*enabling commercial space*' project. This reflects established Inverclyde Taskforce prioritisation of seeking to deliver new commercial space for Inverclyde.
- 3.2 Through an assessment process, and liaison and support from governments, the commercial space proposal emerged as the preferred project for utilisation of a residual £64.5m fund, and the City Region Project Management Office thereafter developed a Strategic Outline Case, which was presented to, and approved by, Cabinet in February 2025.
- 3.3 The Strategic Outline Case was formed from bids from member authorities for utilisation of the funds to deliver new or refurbished commercial space in each local authority area. Through this approval, an allocation of funds was agreed in line with City Deal distribution methodology (i.e. per population); however, with the exception of an additional nearly £10m funding attributed to Inverclyde Council, which recognises the priority status given to Inverclyde in the same Cabinet meeting. A total of £11.125m has been allocated to Inverclyde Council for delivery of new or refurbished commercial space. The proposal provides 100% project intervention; therefore, no member authority capital contribution is required.
- 3.4 The submissions from Inverclyde Council, which informed the Strategic Outline Case, were:
- Proposed Phase 2 for Kelburn Industrial Estate, Port Glasgow
 - Proposed new terrace/workshop units at the former Council depot site at Crescent Street, Greenock
 - Proposed refurbishment of the Council's Ingleston depot (Greenock) for sale or let to commercial occupiers (note – the depot has already been earmarked for closure as a saving on the transformation workstream)
 - Proposed commercial/incubator space, with potential skills/innovation centre, at Inchgreen; or potential business hub at Wallace Place, Greenock offices, dependant on project scoping.
- 3.5 Within the Strategic Outline Case, the governance for the programme is identified as requiring each constituent project to advance directly to Full Business Case, to accelerate spend on the project, which requires to be complete by 2030. For Inverclyde Council, this means projects will require to be advanced through concept and technical design stages, including being informed by ground investigations/service plans. Cost plans will be developed at each stage as part of project control mechanisms. Planning permission (where necessary) and procurement processes will be concluded prior to Full Business Case for each of the projects. The Strategic Outline Case secured seed funding across the programme to 6% of project costs and this will be utilised to advance the work required to produce a Full Business Case.
- 3.6 Whilst at the early stages of project development, officers are exploring the strategic, economic, financial, commercial and management aspects of the programme, including reviewing funding mechanisms, operating model (which will consider the role of Riverside Inverclyde), partnership requirements, and potential for secondary investment (i.e. whether capital receipts or income can provide additional project benefits through secondary investment). Thereafter, project development will be monitored through regional and local City Deal governance/project meetings, which are already established. Updates to members will be provided to Committee through regular reporting of the Capital programme. It is noteworthy that while the programme was supported in part due to its lesser complexity than some City Deal projects, given the early stage of development of projects, should any of the proposed options in 3.4 fail to emerge as deliverable

projects, the City Deal change process would be utilised to identify alternative expenditure, which would be reported to Environment and Regeneration Committee.

- 3.7 In addition to the update provided above, this report seeks approval to delegate authority to officers to advance the projects to Full Business Case stage, at which time further (final) approval for projects will be sought from Environment & Regeneration Committee.

4.0 PROPOSALS

- 4.1 It is recommended that the Committee:-

- (a) Notes progress on the Glasgow City Region Deal Commercial Space programme; and
- (b) Delegates authority to officers to advance preparation of the project to Full Business Case stage.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial	X	
Legal/Risk		X
Human Resources		X
Strategic (Partnership Plan/Council Plan)		X
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing		X
Environmental & Sustainability		X
Data Protection		X

5.2 Finance

A financial overview of the expenditure of grant, project development costs and income will be produced as the project develops.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

5.3 Legal/Risk

Legal matters and risks related to the projects will be set out in business cases, within the management case section. Risk registers have been developed as part of the Strategic Outline Case and will continue to be updated as the project advances.

5.4 Human Resources

None arising through this report.

5.5 Strategic

The proposals will support the delivery of Inverclyde Taskforce and Draft Economic Growth Plan priorities.

5.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

	YES – Assessed as relevant and an EqIA is required.
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required. EqIA requirements will be further explored in the production of Full Business Cases.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO – Assessed as not relevant under the Fairer Scotland Duty. Further requirements will be further explored in the production of Full Business Cases.

(c) Children and Young People

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

	YES – Assessed as relevant and a CRWIA is required.
X	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

5.7 Environmental/Sustainability

Summarise any environmental / climate change impacts, positive or negative, which relate to this report.

None.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
X	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented. Project requirements will be concluded through planning and other statutory approvals.

5.8 Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

6.0 CONSULTATION

- 6.1 As outlined above, partnership requirements will be explored through project development and engagement will be outlined in Full Business Case for projects.

7.0 BACKGROUND PAPERS

- 7.1 N/A.