



Glasgow City Council

City Administration Committee

Report by Susan Aitken, Leader of the Council and Convener for City and City Region Economy and Just Transition

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Item 4

14th September 2023

UK SHARED PROSPERITY FUND UPDATE

Purpose of Report:

The purpose of the report is to update City Administration Committee on adjustments to previously approved projects funded through the UK Shared Prosperity Fund (UKSPF), and seek approval to make awards.

The programmes are:

- Business Support
- Ecosystem Growth
- Multiply

Recommendations:

The Committee is asked to:

- i. Note the proposed changes as outlined in this report;
- ii. Approve the programmes as outlined in the report; and
- iii. Note that progress updates on the SPF programme will be provided to the Economy, Housing, Transport and Regeneration City Policy Development Committee on an annual basis.

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1.0 Introduction

- 1.1 At its meeting held on 18th August 2022, 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 Members have considered reports on the scope and proposed use of the UK Shared Prosperity Fund at previous meetings, and it has been noted that:
- A total of £26.1 million is available over this period for Glasgow.
 - There are three key priority investment areas for the fund, which are Communities and Place, People and Skills, and Supporting Local Business.
- 1.3 This report recommends the award of three direct grants to support the following:
- Re-align the Business Support programmes to support the Glasgow City Region (GCR) collaborative approach to deliver the EXTEND programme, providing carbon baseline reports to businesses across the region;
 - Move forward the incubation and acceleration element of the Ecosystem Growth programme, building on the work undertaken as part of the development of the Glasgow City Region Innovation Action Plan;
 - Re-distribute Multiply underspend, as notified to Committee on 31st August 2023, to support Phase 2 of the Step Up to Net Zero programme under the Supporting Local Business investment area.

2.0 Project Changes proposals

Business Support

- 2.1 Analysis of running the SPF Business Support programmes over the last 5 months has indicated the capacity to redirect funding to support an additional, complementary programme.
- 2.2 The EXTEND Programme comprises a proposal to grant-fund the University of Strathclyde's EXTEND team to deliver 500 carbon baseline reports to businesses across the GCR, with 308 delivered to Glasgow businesses. These carbon baseline reports will support member authorities towards their net-zero objectives, and directly support the ambitions of the Regional Economic Strategy.
- 2.2 The carbon baseline reports will also represent a gateway for businesses to access further green business support and grant funding.

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- 2.4 SPF funding of £231,786 will support 308 businesses over financial years 2023/24 and 2024/25.

Ecosystem Growth

- 2.5 The Ecosystem Growth programme identified the need to support incubation and acceleration activity.
- 2.6 Established at Glasgow Skypark in 2021, the Smart Things Accelerator Centre (STAC) is a leader in delivering cutting edge acceleration and incubation support programmes that equip entrepreneurs with the skills and structures to compete internationally, and build SMEs to scale and realise the market opportunities. The company are leaders in their field and seek to build capacity and resilience that will position Glasgow as the epicentre of the Internet of Things in Europe.
- 2.7 The award of £257,000 to STAC will secure a long-term strategic partnership, collaborating on the local technology and innovation strategy, identifying and realising opportunities for the city of Glasgow.

Initial KPI targets of developing 25 companies with an average of 30 employees by 2025 have already been exceeded with STAC now supporting 36 “Internet of Things” focused start-ups with the potential to grow to 100 companies by the end of 2025.

Multiply/Step Up to Net Zero

- 2.8 At it's meeting on 24th February 2022, Committee approved funding for the Step Up to Net Zero programme, a circular economy demonstrator delivered by Glasgow Chamber of Commerce. The programme has now concluded, with a comprehensive evaluation reporting that the programme was extremely successful in it's aim of supporting businesses to adopt circular principles and practices that will contribute to realising the city's net-zero carbon ambitions.
- 2.9 The Multiply underspend of £544,336 was notified to Committee on 31st August 2023. This provides an opportunity to redirect SPF funding to support a Phase 2 of the Step Up to Net Zero programme, delivered by Glasgow Chamber of Commerce, building on key findings from the pilot evaluation. A small underspend of £40,000 has been identified from the original award to Glasgow Chamber of Commerce and it has been agreed this can be utilised for the Phase 2 programme.
- 2.8 This total budget of £585,000 will support a further 30 businesses to participate in the programme, as well as extending the work placements from 4 months to 6 months, one of the key recommendations of the pilot.

3.0 Policy and Resource Implications

Resource Implications:

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Financial: The UK Shared Prosperity Fund represents additional resource to deliver on the Council's economic strategy and related policies.

Legal: There will be formal agreements put in place for the EXTEND, STAC and Step Up to Net Zero projects.

Personnel: Personnel resources required to assist in the oversight and monitoring of these projects will be supported through existing resources.

Procurement: Routes to award these projects have been fully discussed with the Corporate Procurement Unit.

Council Strategic Plan: *Grand Challenge 2: Increase opportunity and prosperity for all our citizens*

- Mission 1: Support Glasgow residents into sustainable and fair work
- Mission 2: Support the growth of an innovative, resilient, 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

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25 Yes - recruitment of individuals on the Step Up to Net Zero project will be in line with the Council's Equality Outcomes and may lead to an improvement in economic outcomes for people with protected characteristics.

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

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

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Climate Impacts:

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

Yes. This work will support the development of a green economy and the implementation of the Glasgow Green Deal, which is a dedicated action in the climate plan. A strong focus on skills will also provide a tangible means of ensuring that businesses across the city will be able to contribute to the Just Transition agenda.

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

Supporting reductions carbon and increased energy efficiency by the business sector.

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

Yes.

- By reducing emissions from industry.
- Through the development of skills to support the city's net zero ambitions.
- In the provision of support to businesses to secure carbon baseline reports

Privacy and Data Protection impacts:

This report has no impacts upon privacy or data protection.

4.0 Recommendations

4.1 The Committee is asked to:

- iv. Note the proposed changes as outlined in this report;
- v. Approve the programmes as outlined in the report; and
- vi. Note that progress updates on the SPF programme will be provided to the Economy, Housing, Transport and Regeneration City Policy Development Committee on an annual basis.