

Clerk Name: Clare Louise McDonald
Clerk Telephone: 07350 435308
Clerk Email: committee@northlan.gov.uk



23 April 2025

**Members of the
Enterprise and Fair Work Committee**

Chief Executive's Office

Rachel Blair
Chief Officer (Legal & Democratic)
Civic Centre, Windmillhill Street,
Motherwell ML1 1AB
www.northlanarkshire.gov.uk

Notice is given that a Meeting of the **Enterprise and Fair Work Committee** is to be held in the Council Chamber, Civic Centre, Windmillhill Street, Motherwell, ML1 1AB on Friday, 02 May 2025 at 10:00 AM which you are requested to attend.

The agenda of business is attached.

Rachel Blair
Chief Officer (Legal & Democratic)

Members :

A McVey, F McKay, M Boyd, A Bustard, D Crichton, G Currie, P Di Mascio, K Docherty, A Duffy-Lawson, H Dunbar, T Fisher, W Goldie, H Gray, L Jarvie, J Leckie, F MacGregor, A Masterton, B McCulloch, M McPake, L Mitchell, L Nolan, G Robinson, R Sullivan, A Thomas, C Williams.

Agenda

- 1 **Declarations of Interest In Terms of the Ethical Standards In Public Life Etc. (Scotland) Act 2000**

Operational

- 2 **City Deal Programme Update** 5 - 16
Submit report by the Chief Officer (Place) providing an update of the current status of North Lanarkshire City Deal Infrastructure Programme and its subprojects.
- 3 **Coatbridge Plan for Neighbourhoods Update** 17 - 26
Submit report by the Chief Officer (Place) providing a summary of progress made to date alongside a review of the new guidance issued so far, highlighting key changes, including the establishment of a Neighbourhood Board and related governance arrangements, development of a Regeneration Plan and an accompanying initial 4-year Investment Plan and governance requirements.
- 4 **Glasgow City Region Investment Zone** 27 - 34
Submit report by the Chief Officer (Place) providing an update on the development of the Glasgow City Region Investment Zone Programme.
- 5 **Routes to Work Service Level Agreement 2025-26** 35 - 72
Submit report by the Chief Social Work Officer (Education, Families, Justice and Integrated Practice) seeking approval of the Service Level Agreement with Routes to Work Ltd for 2025/26.

Performance

- 6 **Routes to Work Ltd - Performance and Finance Report** 73 - 86
Submit report by the Chief Social Work Officer (Education, Families, Justice and Integrated Practice) informing of Routes to Work operational and financial performance for Q2 to Q3 2024/25, along with wider achievements during that period.

- 7 **Fusion Assets' Performance & Financial Monitoring Report** 87 - 104
Submit report by the Chief Officer (Place) providing details of the operational performance of Fusion Assets Ltd. (Fusion Assets) during the last six months of 2024/25 (up to March 2025).

Contracts

- 8 **Contract Awards Below Committee Approval Threshold** 105 - 108
Submit report by the Chief Officer (Assets and Procurement) advising of the contracts awarded since the last meeting of the committee.

North Lanarkshire Council Report

Enterprise and Fair Work Committee

Does this report require to be approved? Yes No

Ref LN/PH

Date [02/05/25](#)

City Deal Programme Update

From Pamela Humphries, Chief Officer (Place)

E-mail NobleLy@northlan.gov.uk

Telephone

Lyndsay Noble
07970 016256

Executive Summary

The North Lanarkshire City Deal Programme Update Report seeks to inform the Enterprise and Fair Work Committee of the current status of North Lanarkshire City Deal Infrastructure Programme and its subprojects.

Recommendations

It is recommended that the Committee:

- (1) Acknowledges the status and recent progress of North Lanarkshire City Deal infrastructure subprojects and revised Programme.

The Plan for North Lanarkshire

Priority	Improve economic opportunities and outcomes
Ambition statement	(5) Grow and improve the sustainability and diversity of North Lanarkshire's economy
Programme of Work	Transforming Places

1. Background

1.1 The Glasgow City Region (GCR) City Deal is an agreement between the UK and Scottish Governments and the eight GCR Local Authorities, with the sole focus of creating additional economic growth. The 20-year GCR Deal was accepted by GCR Council Leaders on 20 August 2014 and incorporated:

- implementing a £1.13bn Infrastructure Fund to improve the regional transport network, regenerate sites for economic use and improve public transport provision;
- supporting growth in the life sciences sector;
- helping small and medium enterprises to grow and develop;
- establishing programmes to support the unemployed; and
- piloting new ways of boosting the incomes of low wage employees.

- 1.2 As Committee is aware, a strategic review and prioritisation of all projects within the North Lanarkshire City Deal programme has been carried out and formed part of the consideration of the council's Strategic Capital Investment Programme 2024/25 to 2028/29 approved by Policy & Strategy Committee on 14 March 2024.
- 1.3 The review of City Deal Programme was to ensure the Programme remained fit for purpose and aligned to the Plan for North Lanarkshire and Programmes of Work and to manage project delivery and, importantly, to assess cost pressures on the projects. Following Committee approval in May 2024 and Glasgow City Region Cabinet approval in August 2024, the revised Programme now allows for a stronger focus on strategic connectivity, and new road infrastructure to enable regeneration and development.
- 1.4 The City Deal Programme for North Lanarkshire, as part of the infrastructure fund comprises the following sub projects:
- A8/M8 Corridor Access Improvements
 - Strategic Active Travel
 - Orchard farm Roundabout
 - Glenboig Link Road (complete)
 - Pan-Lan Orbital Transport Corridor
 - East Airdrie Link Road
 - Ravenscraig Access Infrastructure South (Motherwell to Ravenscraig and Airbles Road Improvements)
 - Motherwell Town Centre Transport Interchange (complete)
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2. Report

2.1 East Airdrie Link Road

- 2.1.1 As Committee is aware, the East Airdrie Link Road (EALR) will provide a new strategic link between the M8 and south of Cumbernauld. The proposed link road will also provide the access to the Monklands Replacement Hospital at Wester Moffat, Airdrie. The Monklands Replacement Hospital Project is moving forward with enabling works commencing spring 2025 after having secured an Outline Business Case in July 2023 and Planning permission in June 2024. NHS Lanarkshire are working with their contractor, Laing O'Rourke, alongside their consultancy design team to progress the Project to Full Business Case in 2025.
- 2.1.2 The EALR project team continue to liaise with NHS Lanarkshire through regular technical meetings and a Project Interface Board provides governance around coordination, manage risk, secure efficiencies, and maximise benefits.
- 2.1.3 With the approval of the EALR Outline Business Case in August 2024 and the project in DMRB Stage 3 (preliminary design and planning), the agreed programme is progressing at pace with the final road alignment design being concluded in September 2025. Public and landowner engagement took place during November 2024 to January 2025 on the first draft of the proposed road alignment design. Feedback and comments received during the engagement has informed the second draft road alignment design.
- 2.1.4 AtkinsRéalis, our lead design consultants, alongside the EALR project team, following the public engagement and discussions with landowners, have reviewed the first draft road design. Alongside, survey work and further design, the engagement feedback has allowed a greater focus on the positioning of the road structures, better integration of the new road with local roads, and importantly, more refinement of the alignment to lessen the impact on land, ecology, landscape and woodland.

- 2.1.5 The second draft road alignment now comprises a well-defined road alignment including structures, associated road infrastructure and interfaces with the local road network. A Pre-Application Notice (PAN) will be submitted in summer 2025 in advance of the planning application for the Link Road being submitted in November 2025. The second draft road alignment will form the basis of the Pre-Application Notice and the associated Pre-Application consultation. (PAC). The statutory consultation as part of the PAN is intended to take place during the summer and then in autumn 2025. The outcome of the PAN/PAC will lead to a third and final road alignment design being concluded to allow for the submission of the planning application.
- 2.1.6 To support the design work and planning application, environmental surveys are taking place across the extent of the proposed link road. Additional Ground Investigation work will take place over summer 2025 to confirm the final preliminary design. It will also inform the construction methodology for the link road and provide further certainty of construction costs and overall project budget.
- 2.1.7 Committee will be aware, that the council will require to acquire the land to construct the EALR. As the road alignment progresses and becomes fixed, this allows the land take required to be better understood and for the land strategy to be developed and implemented. Given the scale and length of the EALR, the number of landowners is substantial and the risk of acquiring all the land at the same time to build the entire link road is considered by the EALR project team to be of a level that will require a compulsory purchase order (CPO). It is therefore intended to bring further information back to Committee on the land strategy including the potential for voluntary acquisition and CPO for the EALR. In time, a proposal for consideration and approval to promote a CPO for the necessary land for the link road delivery would be submitted to this Committee.
- 2.1.8 The EALR Project team intend to have further briefings with local members in advance of the planned statutory consultation as part of the Pre Application Notice.

2.2 Ravenscraig Access Infrastructure

- 2.2.1 As committee is aware, the Ravenscraig Access Infrastructure project, following the removal of the RIAN sub project, now comprises 2 sub projects:
- a new road connection between Motherwell and Ravenscraig from Airbles Road, passing under the West Coast Main Line railway, and on to the Regional Sports Facility
 - completing the dualling of Airbles Road between Airbles Farm Road and Hamilton Road and improving facilities for pedestrians and cyclists.
- 2.2.2 A revised procurement and delivery strategy for the development of the new road between Windmillhill Street and the Ravenscraig Sports Facility is now being taken forward as a series of related work phases. The first phase of work comprised the demolition of the buildings acquired for the road scheme – at Manse Road (formerly Cook & Indis and Yesss Electrical), the former Evans Halshaw dealership and the adjacent vacant commercial unit at Windmillhill Street. The demolition works are now complete, and the sites have been secured.
- 2.2.3 With the former Evans Halshaw site being cleared, it is proposed that the front part of the site becomes a temporary car park for North Lanarkshire Council employees. This parking facility will provide much needed car parking for NLC and will utilise the existing hard standing and with minimum effort and cost should provide in the region of 100

spaces. It is proposed that the car park will be lined and have temporary lighting, a barrier access and be available for approximately 18 months. Providing this temporary car parking arrangement, should take the pressure for parking away from local residential streets and town centre car parks. This car park however will be removed when the site is needed for the link road into Ravenscraig.

- 2.2.4 A Value Engineering Review is taking place to ensure the design and layout of the Motherwell to Ravenscraig road link remains fit for purpose and links in with ambitions across the road network especially the Motherwell to Ravenscraig and Wishaw Corridor, and to where possible, improve drainage provision to support wider development opportunities for Motherwell. The Review is also an opportunity to examine the design and construction methods to manage costs and where possible create efficiencies in the delivery phases to minimise disruption and impact on the town centre.
- 2.2.5 As previously reported, the progression of the works through a series of packages including the demolition contract, subsequent proposed groundworks and advanced utilities works will assist in maintaining progress and will de-risk the main works contract.
- 2.2.6 The Value Engineering Review will also review the delivery programme for the enabling and main works for RIA S project. This programme will be continuously reviewed and updated. The programme for the proposed remaining works phases currently is:
- Enabling works - November 2025 to September 2026
 - Main Works – October 2026 to August 2027
- 2.2.7 The Value Engineering Review may alter these dates to allow for additional survey work, to facilitate the efficient delivery of the enabling works and main works and to co-ordinate with other planned works within Motherwell to minimise disruption. Committee will be updated of any changes to the programme in due course.
- 2.2.8 Design work will continue for the Airbles Road Improvement sub project with the delivery of the works now programmed for February 2028 to March 2029 as per the approval at the May Committee.

2.3 **A8/M8 Corridor Strategic Active Travel**

- 2.3.1 The provision of 10 km of Strategic Active Travel Links, connecting Eurocentral/Maxim Office Park/Newhouse and Mossend to surrounding local communities and local rail stations was approved by GCR Cabinet on 30 August 2022 as the new preferred option for the Eurocentral sub-project.
- 2.3.2 The routes identified are to the south of Eurocentral between Bellshill Rail Station/town centre and the M8 cycle route at North Road; Bellshill town centre, Mossend and Holytown, connecting into Eurocentral from Holytown and between Holytown and Newhouse.
- 2.3.3 To the north of Eurocentral, a route has also been identified from Whifflet rail station to the M8 cycle route at Shawhead. These routes are designated as Strategic Network Routes within the North Lanarkshire Active Travel Strategy.
- 2.3.4 The proposed shared use walking and cycling routes will be delivered by both City Deal investment and other external funding. The routes importantly link with other planned

active travel route improvements as part of the East Airdrie Link Road project and with other projects under the Active Travel Strategy being taken forward by the Infrastructure and Transportation team.

2.3.5 Due to the scale of the project, a phased approach will be taken to design and delivery. Detailed design work is well under way and will be progressed over 2024 and 2025.

2.3.6 Subject to Committee agreement, it is proposed to submit a first phase Full Business Case in Autumn 2025. It would be intended to commence construction in January 2026, with completion of the first phase of work in Summer 2026.

2.4 Orchard Farm Roundabout

2.4.1 The Orchard Farm Roundabout project will be procured and delivered by the private sector Mossend International Rail Freight Park (MIRP) partnership. City Deal funding will provide a contribution towards provision of a four-arm roundabout on the A8 at Orchard Farm, which will provide new and improved access from the A8 to strategic employment and commercial development sites north and south of the A8 at Carnbroe and Mossend. The proposed roundabout will support the expansion of Mossend Railhead and development of the International Railfreight Park (MIRP) and the development and expansion of new employment opportunities at Carnbroe.

2.4.2 The council is in ongoing discussions with the railhead developer, PD Stirling Ltd, and their partners to determine the programme, delivery and funding requirements for this project. Progress has stalled over recent months due to construction cost pressures and a corresponding need for the development partnership to undertake a value engineering review and develop an associated revised design solution for the roundabout junction. This has resulted in a proposal which is more cost and time efficient to deliver, meets the in-principle approval of Transport Scotland but requires the acquisition of areas of land to the north of the A8 from another commercial party.

2.4.3 Positive progress has been made by the private sector partnership, in relation to acquisition negotiations on land required for construction of the revised roundabout layout with agreed Heads of Terms intended to be in place in Spring 2025. This will enable the revised roundabout layout to be taken forward through final approval stages with Transport Scotland, revised planning application submission and subsequent procurement action.

2.4.4 Subject to Committee agreement, it is proposed to submit the Full Business Case in August 2026. Construction work is programmed to commence in October 2026 with completion by October 2027.

3. Measures of success

3.1 The North Lanarkshire City Deal Programme construction timescales have been updated following a programme review and approval of the Strategic Capital Investment Programme are as follows (construction only):

Glenboig/Gartcosh Community Growth Area:

- Glenboig Link Road – May 2017 to June 2018 (complete)

Pan Lanarkshire Orbital Transport Corridor:

- Muir Street – January 2022 to June 2023 (complete)
- Ravenscraig Access Infrastructure – March 2022 to March 2029 (no longer including RAI N but including the reprofiling of Airbles Road)
- East Airdrie Link Road – May 2028 to Sept 2030

A8/M8 Transport Corridor:

- Orchard Farm Roundabout – October 2026 to October 2027
- Eurocentral Strategic Active Travel – January 2026 – August 2027 (delivered in phases)

- 3.2 The Programme and its sub projects have been developed to ensure that at a North Lanarkshire level, North Lanarkshire’s residents and businesses will directly benefit.
- 3.3 Each project at Outline Business Case stage and sub-project at Full Business Case stage has to demonstrate how it will deliver the direct and indirect benefits. As part of the business case process, through the Economic Impact Assessment, outputs and wider benefits are identified and are set out in a Benefits Realisation Profile. The Business Cases identify the economic impacts and the Benefits Profile quantify and details when outputs will be delivered and achieved as a result of the specific project investment.
- 3.4 The benefits will be measured over a 10-year period, reporting as part of the GCR Gateways until 2035. Gateway 2, an onerous review of the completed GCR projects and their outputs and outcomes has concluded successfully which allows for the next 5 year tranche of funding to be released.
- 3.5 All North Lanarkshire City Deal contracts seek to maximise community benefits from contracts awarded for the Project. Community Benefits will be secured through the procurement of services and works in line with the City Deal Community Benefit Strategy. The Community Benefits will be delivered through the design, planning and implementation phases, through contracts directly awarded by North Lanarkshire Council and where relevant, its partners. The Community Benefits menu within the City Deal Community Benefits Strategy will be used to target benefits that support the Council’s key aims and objectives and deliver against priorities.
- 3.6 The type and number of community benefits to be delivered at a project and contract level will be determined with reference to the nature and duration of each contract and supplier. Community benefit outcomes for the Project will be linked to the Council’s Single Outcome Agreement and Corporate Outcomes and the relevant local outcomes which underpin these at a Service level.
- 3.7 An update report on Community Benefits will be reported to Committee in August 2025. This will provide an opportunity to provide a general overarching position statement on the approach to Community Benefits for the City Deal Programme and to set out in more detail information on how benefits were delivered and the types of benefits each sub project achieved.
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4. Supporting documentation

4.1 No Supporting Documents.

A handwritten signature in black ink, appearing to read "P. Humphries".

**Pamela Humphries
Chief Officer (Place)**

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty
 Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty?
 Yes No
 If Yes, please provide a brief summary of the impact?

The City Deal Cabinet has agreed that Inclusive Growth is to be fully embedded within the GCR City Deal programme delivery and that it is also committed to supporting the delivery of the Fairer Scotland Action Plan. Future NLC subproject OBC/FBC development will be scrutinised to ensure it meets the duties of the Fairer Scotland Action Plan.

If Yes, has an assessment been carried out and published on the council’s website? <https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments>
 Yes No

5.2 Financial impact
 Does the report contain any financial impacts?
 Yes No
 If Yes, have all relevant financial impacts been discussed and agreed with Finance?
 Yes No
 If Yes, please provide a brief summary of the impact?

Following Committee approval (May 2024) and GCR Cabinet Approval on 6 August 2024, the revised North Lanarkshire Glasgow City Region City Deal Programme is as follows:

• Glenboig Link Road	£6.2m
• A8/M8 Corridor Access Improvements	
○ Orchard Farm	£2.2m
○ Eurocentral Active Travel	£4.3m
• Pan-Lan Orbital Transport Corridor	
○ East Airdrie Link Road	£185.3m
○ Muir Street	£3.8m
○ Ravenscraig Access	£74.2m
Infrastructure	
• Total	£276m

This is funded £149m by the GCR City Deal Infrastructure Fund and £127m by North Lanarkshire Council.

The financial implications of the City Deal Programme will be considered within the council’s Long-term Financial Plan. To date budgetary implications over the next 5 years have been approved by the Policy and Strategy Committee.

<p>5.3 HR policy impact</p> <p>Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.4 Legal impact</p> <p>Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>The City Deal Team work closely with Legal Services on all sub projects focusing on land acquisition and CPO, procurement and contract preparation and management, funding agreements and any other related matters.</p>
<p>5.5 Data protection impact</p> <p>Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.6 Technology / Digital impact</p> <p>Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)? Yes <input type="checkbox"/> No <input type="checkbox"/></p>

5.7 Environmental / Carbon impact

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes No

If Yes, please provide a brief summary of the impact?

All infrastructure projects developed by the council as part of the GCR City Deal will be subject to relevant environmental and sustainability appraisal and as part of the design process and subsequent planning application approvals and procurement.

Furthermore, to adhere with HM Treasury Greenbook best practice, each iteration of project business case seeking GCR City Deal funding will include a review of the sustainability considerations, this will include carbon management, involving categorisation, assessment and mitigation.

5.8 Communications impact

Does the report contain any information that has an impact on the council's communications activities?

Yes No

If Yes, please provide a brief summary of the impact?

The City Deal programme and the delivery of the projects will continue to be promoted through Corporate Communications and the Glasgow City Region's Communications team.

In terms of East Airdrie Link Road, a joint communication plan will be developed with NHS Lanarkshire and North Lanarkshire Council to coordinate communication, stakeholder engagement and promote the projects as they develop.

5.9 Risk impact

Is there a risk impact?

Yes No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

A key risk for the City Deal Programme is the current global economic climate and its short and long term impacts on the delivery of the city deal projects. This risk is becoming a live issue for the Programme and will be assessed and recorded within the City Deal Issues Register. This is not unique to City Deal and the approach to this risk and issue management will be carried out in conjunction with Finance and the Glasgow City Region Project Management Office.

Risk management of North Lanarkshire's City Deal activity is incorporated within the council's City Deal programme risk register which is reviewed by the City Deal Manager and reported to the council's City Deal Board. The City Deal risks are also integrated in the Planning and Regeneration Service Risk Register. Each City Deal sub project has a detail risk register and is managed by the Project Manager.

5.10 Armed Forces Covenant Duty

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes No

North Lanarkshire Council Report

Enterprise and Fair Work Committee

Does this report require to be approved? Yes No

Ref PFN/MH Date 02/05/25

Coatbridge Plan for Neighbourhoods Update

From Pamela Humphries, Chief Officer (Place)

E-mail hyndsm@northlan.gov.uk

Telephone

Mark Hynds,
07583 023 248

Executive Summary

In September 2023, the UK Government announced that 55 towns would benefit from £1.1 billion levelling up investment as part of a long-term plan for towns across the UK. Coatbridge was awarded £19.51m in UK Government funding through the Long-Term Plan for Towns programme. A Town Board had to be established to oversee the development and delivery of the plan for Coatbridge.

It was initially expected that Long-Term Plans would have to be submitted for UK Government approval by August 2024 however this submission date was delayed following the election of a new UK Government in July 2024, which advised it was reviewing all previously made funding commitments. The funding stream was confirmed in late 2024 with confirmation that updated guidance would be published in the New Year.

The UK Government has now issued a new funding prospectus in relation to the 'Plan for Neighbourhoods', the successor programme to the previous government's 'Long-Term Plan for Towns' funding.

This paper provides a summary of progress made to date alongside a review of the new guidance issued so far, highlighting key changes, including the establishment of a Neighbourhood Board and related governance arrangements, development of a Regeneration Plan and an accompanying initial 4-year Investment Plan and governance requirements.

Recommendations

It is recommended that Committee:

- (1) Acknowledges the content of this report and the updated guidance in relation to the development and delivery of a Regeneration Plan and related Investment Plan for Coatbridge to secure £19.5m over a 10 year period.
- (2) Endorse the arrangements for the development of the 4 year Investment Plan which will be reported to a future Committee prior to submission to the UK Government for approval.

The Plan for North Lanarkshire

Priority	All priorities
Ambition statement	(2) Refocus our town centres and communities to be multi-functional connected places which maximise social, economic, and environmental opportunities
Programme of Work	Transforming Places

1. Background

- 1.1 On 30th September 2023, the UK Government announced that 55 towns will benefit from £1.1 billion levelling up investment as part of a long-term plan for towns across the UK. Coatbridge was awarded £19.51m in UK Government funding through its Long-Term Plan for Towns programme.
- 1.2 As part of this investment, 7 towns in Scotland were awarded £20M each to deliver activity over a ten-year period (£2M funding per year) including Coatbridge
- 1.3 The council is the accountable body for this funding and responsible for establishing and supporting Coatbridge Town Board which will oversee the development and delivery of the Long-Term Plan for Coatbridge.
- 1.4 Following a review of previous funding commitments, the current UK Government's Ministry of Housing, Communities, and Local Government (MHCLG) has introduced the "Plan for Neighbourhoods," a £1.5 billion initiative successor scheme aimed at investing in 75 areas across the UK over the next decade.
- 1.5 The programme seeks to address regional disparities by empowering local communities to rejuvenate their neighbourhoods, fostering economic growth, and enhancing living standards.
- 1.6 As with the Long-Term Plan for Towns, Scotland will receive a £200 million share of the funding, distributed among ten neighbourhoods. Each area is set to receive up to £20 million over a decade, empowering local communities to determine investment priorities through Neighbourhood Boards composed of residents, businesses, and community organisations. Coatbridge was confirmed as one of the ten Scottish towns to receive this Plan for Neighbourhoods funding.
- 1.7 Significant work has already been undertaken to establish the Town Board in Coatbridge and engage with the people and communities of Coatbridge to establish priorities and inform the future Investment Plan. Following issue of the new guidance, the Draft Investment Plan will be produced for final consultation prior to submission to the UK Government for approval during 2025.

2. Report

Progress to Date

- 2.1 As approved at Committee in May 2024, a Town Board was established in accordance with the Guidance from the UK Government, with the first meeting taking place in April 2024.

- 2.2 Consultants were also appointed to support the development of the Long-Term Plan for Coatbridge, including conducting a wide range of stakeholder engagement and face to face surveys.
- 2.3 A significant amount of community and business engagement was conducted during Summer 2024, following the establishment of the Town Board and to aid in the development stage of the Long-Term Plan for Coatbridge. This included:
 - 751 face to face surveys
 - 726 responses to online survey
 - Family fun day events, each attracting hundreds of participants, at Kirkshaws Neighbourhood Centre and Summerlee Museum of Scottish Industrial Life
 - A programme of arts-based engagement with schools, including Greenhill and St Timothy’s primaries and Coatbridge and St Ambrose high schools.
 - Bespoke engagement sessions with children in care, Coatbridge Youth Action Group and older people’s groups
 - An event for Main Street retailers
 - Discussions with key town centre interests, including ASDA and Eurocity (which owns and manages 52 retail units on Main Street)
 - Workshops with the Coatbridge Town Board and key council officers
- 2.4 Following the change of government in July 2024, the development of the Long Term Plan and the Investment Plan was put on hold, awaiting confirmation from the new government regarding the future of the funding and any revised guidance.

Plan for Neighbourhoods

- 2.5 The UK Government has now started to issue new guidance around the Plan for Neighbourhoods. The key differences with the “Long Term Plan for Towns” have been summarised below
- 2.6 The Long-Term Plan for Towns funding and the rebranded Plan for Neighbourhoods are not dissimilar. However, some of the terminology has changed between the two funds. The table below sets out some of the key terminology changes to note:-

Long-Term Plan for Towns (previous fund)	Plan for Neighbourhoods (current fund)
Town Board	Neighbourhood Board
Long-Term Plan	Regeneration Plan
Investment Plan (covering years 1-3 of delivery from 2025/26)	Investment Plan (covering years 1-4 of delivery from 2026/27)
Investment Themes: <ul style="list-style-type: none"> • Safety and security • High streets, heritage and regeneration • Transport and connectivity 	Strategic objectives: <ul style="list-style-type: none"> • Thriving places • Stronger communities • Taking back control

Funding

- 2.7 Coatbridge will receive funding and support totalling just over £19.5 million. The funding will be split 75% capital and 25% revenue. Delivery funding will be released from the beginning of the 2026/27 financial year with ‘capacity funding’ of £0.6m being released between 2023/24 and 2026/27. A detailed funding profile is available at Appendix 1 of this report.

- 2.8 Technical guidance sets out more detail on the funding and spending rules with additional information issued via forthcoming supplementary guidance. This would include details on the ability to borrow against a guaranteed future revenue stream and roll underspends forward.
- 2.9 North Lanarkshire Council will act as the accountable body for the funds with responsibility for ensuring that public funds are distributed fairly and effectively, and that funds have been managed in line with the Nolan Principles and Managing Public Money principles.
- 2.10 The council will also be responsible for compliance with legal responsibilities in relation to subsidy control, state aid and procurement.

Timeline

- 2.11 The following timescales and key milestones have been published so far:
- **22 April 2025:** Neighbourhood Boards are required to confirm their final membership and submit any proposals for altering existing place boundaries.
 - **Spring to Winter 2025:** Neighbourhood Boards will develop and submit their Regeneration Plans to MHCLG for assessment and approval. These plans should outline the strategic vision for the area, specific projects to be undertaken, and expected outcomes.
 - **From April 2026:** Upon approval, funding will be released to local authorities, marking the commencement of the programme's delivery phase. This phase will involve the implementation of approved projects and ongoing community engagement to monitor progress and make necessary adjustments.

Fund Objectives

- 2.12 UK Government encourages Neighbourhood Boards to focus the funding and interventions into those neighbourhoods and communities within the boundary area that have the greatest need.
- 2.13 The Board, working with North Lanarkshire Council, is responsible for producing a 10-year Regeneration Plan for Coatbridge, setting out the activity that will be pursued to achieve the 3 strategic objectives of this programme:-
- thriving places
 - stronger communities
 - taking back control
- 2.14 There is a broader range of interventions that the funding can be used for to support delivery of the strategic objectives, including:
- Regeneration, high streets and heritage
 - Housing
 - Work, productivity and skills
 - Community cohesion
 - Health and wellbeing
 - Transport
 - Safety and security
 - Education and opportunity

Neighbourhood Boards

- 2.15 There is a requirement to establish a Neighbourhood Board with an independent Chair to oversee development and delivery of the Regeneration Plan, and as with the Town Boards membership must include:
- MP and MSP for the local area
 - 2 councillors from the local authority
 - A senior representative from Police Scotland
- 2.16 The council must confirm the board chairperson, membership and boundary arrangements to MHCLG by 22 April 2025, following consultation with the local MP. For further information on the current Town Board membership, see Appendix 2.

Regeneration Plans

- 2.17 Neighbourhood Boards must work with local people and the local authority to draft a Regeneration Plan. Future guidance will confirm content and form required for this Plan.
- 2.18 The Plan should outline the community's overarching vision for change over the next decade to deliver the strategic objectives of the programme, developed through grassroots engagement to reflect local people's priorities.
- 2.19 As part of the Regeneration Plan, Boards will need to provide a more detailed investment plan for the first 4-year investment period cycle, which will include the interventions the board would like to pursue over the period and how that activity delivers across the 3 strategic objectives of the programme.
- 2.20 UK Government recognises the previous work that has gone into engaging communities and developing the 'Long-Term Plan' for the previous administration's Long-Term Plan for Towns. That progress should not be undone, nor should places undo their governance arrangements.
- 2.21 The Regeneration Plan and Investment Plan will be progressed over coming months and reported to a future Committee for endorsement prior to submission to the UK Government for approval. The timescale for submission to the UK Government is between Spring and Winter 2025.

3. Measures of success

- 3.1 Measures of success will be established during the development of the Regeneration Plan for Coatbridge. The Plan for Neighbourhoods will aim to raise living standards, reduce social exclusion, spread opportunities for young people, improve health and wellbeing, build stronger and more cohesive communities and reduce crime and anti-social behaviour in some of the most left-behind areas in the country.
-

4. Supporting documentation

4.1 Appendix 1 Funding Profile

4.2 Appendix 2 Town Board Membership

4.3 UK Government Guidance: [Plan for Neighbourhoods: prospectus - GOV.UK](#)

A handwritten signature in black ink, appearing to read 'P. Humphries'.

Pamela Humphries
Chief Officer (Place)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? Potential positive impact to promote equality. An EQIA will be carried out as part of the development of the Regeneration Plan If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? Additional funding of £19.5m over 10 years to support regeneration activity in Coatbridge.
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>

5.6	Technology / Digital impact
Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
5.7	Environmental / Carbon impact
Does the report / project / practice contain information that has an impact on any environmental or carbon matters?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.8	Communications impact
Does the report contain any information that has an impact on the council's communications activities?	
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Corporate Communications involved in the promotion of community consultation and communication related to the funding.	
5.9	Risk impact
Is there a risk impact?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?	
5.10	Armed Forces Covenant Duty
Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.	
5.11	Children's rights and wellbeing impact
Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?	
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).	
Potential positive impact to promote wellbeing of children and young people. A CRWIA will be carried out as part of the development of the Regeneration Plan	
If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Funding Profile

Appendix 1

Grant type	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	TOTAL
Capacity funding (revenue)	200,000	150,000										600,000*
Revenue (grant)		232,000	256,000	432,000	432,000	432,000	432,000	437,000	450,000	450,000	450,000	3.999 million
Capital (grant)		360,000	1,736 million	1,605 million	1,605 million	1,605 million	1,605 million	1,605 million	1,605 million	1,605 million	1,605 million	14,936 million
TOTAL												19,535 million

*Note: For revenue capacity, £250,000 was provided over the 2023/24 and 2024/25 financial years which are not denoted on the table. Collectively, this will total £600,000 in capacity funding between 2023/24 and 2026/27.

Town Board Membership

Appendix 2

Name	Designation	Fit with new Neighbourhood Board Structure
Gavin Whitefield (chair)	Deputy Lord Lieutenant of Lanarkshire	Meets requirements of a chairperson under the Plan for Neighbourhood guidance and could be retained, following consultation with the local MP.
Frank McNally MP	MP for Coatbridge and Bellshill	Mandatory appointment.
Fulton MacGregor	MSP for Coatbridge and Chryston	Mandatory appointment.
Cllr. Allan Stubbs	Local councillor, Coatbridge North	2 local elected members should sit on the Neighbourhood Board. Cllr A. Stubbs is currently 1 of 2 elected members on the Coatbridge Town Board.
Cllr. Geraldine Woods	Local councillor, Coatbridge South	2 local elected members should sit on the Neighbourhood Board. Cllr Woods is currently 1 of 2 elected members on the Coatbridge Town Board.
Lesley-Anne Docherty	Area Commander, Police Scotland	Mandatory appointment.
Yvonne Lindsay	Managing Director, Telecom Networks	Representative from the local business community.
Liz McCutcheon	Chief Executive, Inspirent	Representative from the social enterprise sector.
Roddy Cameron	Proprietor, R. Cameron Jewellers	Representative from the local business community.
Willie McBride	Manager, Kirkshaws Neighbourhood Centre and Coatbridge Community Board Chair	Community partner representative
David Wood	Chief Executive, Voluntary Action North Lanarkshire	Community partner representative – Third Sector Interface
Professor Christopher Moore	Principal and Chief Executive, New College Lanarkshire	Representative from public agency and/or anchor institution – further education
Gwen MacIntyre	Interim Locality Manager, NHS Lanarkshire	Representative from public agency and/or anchor institution – health and social care

North Lanarkshire Council Report

Enterprise and Fair Work Committee

Does this report require to be approved? Yes No

Ref YW/PH

Date 02/05/25

Glasgow City Region Investment Zone

From Pamela Humphries, Chief Officer (Place)

E-mail weiry@northlan.gov.uk

Telephone

Yvonne Weir
07508 001238

Executive Summary

This report provides Committee with an update on the development of the Glasgow City Region Investment Zone (GCR IZ) Programme. Over a 10-year period, the GCR IZ will receive £160m of funding.

Following the submission of Expressions of Interest and then an open call for project and site submissions, it has been agreed that the focus of the GCR IZ will be on Advanced Manufacturing and Precision Engineering. Six organisations operating within the space, semiconductor and maritime sub-sectors have been selected to receive funding alongside a tax site which has been identified within Renfrewshire. In addition, £40.7m has been allocated to develop an Investment Fund and Business Support/Skills programmes which will benefit businesses across the wider Glasgow City Region.

Recommendations

It is recommended that the Enterprise and Fair Work Committee:

- (1) Acknowledge the content of the report

The Plan for North Lanarkshire

Priority	Improve economic opportunities and outcomes
Ambition statement	(5) Grow and improve the sustainability and diversity of North Lanarkshire's economy
Programme of Work	Transforming Places

1. Background

- 1.1 It was announced by the UK Government in the summer of 2023 that Glasgow City Region (GCR) would be the location of one of the two Investment Zones (IZ) in Scotland and is one of twelve across the UK. The other Scottish IZ is in the North-East Scotland region.
- 1.2 Subject to proposals meeting specific requirements and being agreed across all parties, the GCR IZ will receive a total funding envelope of £160 million over 10 years, which can be used flexibly between spending and a single ten-year tax offer, scalable based on number and size of sites. This will consist of:
- A minimum £70 million flexible spend, split 40:60 between resource spending and capital spending, to use across a portfolio of interventions based on the opportunities of each cluster linked to the following themes:
 - Research and Innovation;
 - Skills;
 - Local Infrastructure;
 - Local Enterprise and Business Support; and
 - Planning and Development
 - Tax incentives, available for ten years, offered over a maximum 600 hectares across up to three sites.
- 1.3 In Scotland, the Investment Zones programme has been designed to provide regional partners with a set of tools that can be deployed with flexibility and autonomy to boost Scotland and the United Kingdom's innovation potential, grow strengths in key industries to drive growth, reduce economic inequalities, and level up communities across the country.
- 1.4 There is a requirement that the Scottish Investment Zones will focus on growing clusters aligned to one or more of five wide-ranging priority sectors in which the UK is well-positioned to play a leading role globally – Digital and Technology; Green Industries; Life Sciences; Advanced Manufacturing; and Creative Industries.
- 1.5 The report outlines how the Glasgow City Region has taken forward the development of the Investment Zone for the region.
-

2. Report

- 2.1 The following objectives for GCR IZ were agreed with the UK and Scottish Governments in the autumn of 2023 and approved by the GCR Cabinet on 7 November 2023:
- Build on strengths of the Region's current and emerging cluster specialisms
 - Grow new and existing R&D focused firms which are geared to take advantage of local academic expertise
 - Create a significant number of mid to high skilled 'good' jobs
 - Generate short and longer-term private sector investment in the Region's cluster specialisms – both through existing firms and wider supply chain development
 - Align with existing investment within the Region e.g. City Deal, Innovation Districts / Innovation Accelerator, UK Shared Prosperity Fund
 - Maximise the impacts through enhancing connections to existing clusters
 - Facilitate the development / regeneration of under-developed land and assets within the Region

- Extends the benefit to the whole Region including developing options for a IZ skills programme for local residents and a regional investment fund.
- 2.2 An Expression of Interest process was launched in September 2023 to elicit interest from Private Sector and Academic partners, and also to help refine the sectoral focus of the Investment Zone. Over 90 Expressions of Interest were submitted. There was no formal scoring process but the Expressions of Interest were reviewed against the GCR IZ Objectives outlined above, and a range of factors including links to academia, investment commitment, relevance to the IZ, and confidence of delivery. From the Expressions of Interest, the following three sectors were identified to take forward to the next stage of the process: Advanced Manufacturing and Precision Engineering; Health and Life Sciences; and Digital and Enabling Technology.
- 2.3 An 'Open Call' process was then published in January 2024 seeking bidders in the three remaining priority sectors. Potential bidders were given three months to submit bids that provided detailed information based on the UK Government Greenbook Business Case methodology:
- Tell us about your project (Strategic Case)
 - What will the project deliver (Economic and Commercial Case)
 - How will you deliver the project (Financial and Management Case)
- 2.4 The Open Call resulted in 41 applications being submitted, with total projects costs of £1.88bn of which the Investment Zone grant ask was £0.64bn after the requirement for 60% match funding. The grant ask was in the region of four times oversubscribed.
- 2.5 The four stages of assessment of the 'Open Call' bids were agreed by the GCR Chief Executives Group in March 2024 and were as follows:
- Quantitative Scoring by GCR Programme Management Office (PMO) to ensure minimum quality threshold
 - Qualitative Feedback from sectoral specialists in both InnovateUK and Scottish Enterprise
 - For bids that achieved the minimum quality threshold, a wider sectoral impact review was undertaken by the GCR Intelligence Hub
 - Overall review by the Strategic Assessment Panel (SAP)
- Following consideration by the SAP, a recommendation was provided to the GCR Chief Executive's Group for decision.
- 2.6 The Strategic Assessment Panel operated within a series of broad parameters, considering individual bids that could form an element of the programme. The Principles were as follows:
- Projects should demonstrate additionality;
 - Investment should provide new capability;
 - Projects should leverage addition private sector investment;
 - Activity will demonstrably support wider cluster development;
 - Individual projects must align within an overall programme;
 - Individual project risk will be spread across the programme; and
 - There is the opportunity to over programme

It should be noted that the assessment process was not a procurement but a strategic programme assembly.

- 2.7 The first outcome from the Strategic Assessment Panel (SAP) was the recommendation for the 'Sector & Geography' – Advanced Manufacturing & Precision

Engineering with Glasgow City Region being the geographic focus. Following approval of the GCR Cabinet, the Sector & Geography was presented to government. The UK and Scottish governments have confirmed approval and a formal Sector & Geography announcement is due imminently.

2.8 To support the analysis and refinement of the applications, submissions were grouped into broad categories following review:

- Green (Progress to short-list with additional clarification)
- Amber (Potential to achieve short-list, but didn't score as highly on quality assessment)
- Enabling Skills (Bids that focused on Skills Development, considered enabling rather than 'transformational'). These bids will be considered when developing the skills programme to support the overall IZ programme – dedicated business / supply chain support will also be considered in this phase.
- Enabling Space (Bids that focused on creation of additional capital infrastructure, considered enabling rather than 'transformational'). These bids will be reviewed in line with the budget retained for the 'Investment Fund'.
- Failed to meet the quality threshold

2.9 This approach has led to a GCR IZ Programme 'Short-list' and the SAP recommended that individual projects and the IZ Programme will:

- Target strategic investments in critical technologies that underpin the next generation of innovation in the chosen sector
- Build on existing regional strengths in the sub-sectors of: Semiconductors, Space and Maritime
- Focus on investments in enabling activity to support wider innovation ecosystem growth

2.10 Within the agreed GCR IZ Sector and Geography, the GCR IZ Programme will focus on a number of sub-sectors with 6 projects which will be taken to the due diligence phase where the region already has world-leading strengths:

- **Space:** boost GCR technology independence, with diverse application across other industries. In addition, it will support existing and new Research and Development focused firms to work collaboratively and keep GCR at the heart of the UK's thriving space sector
- **Advanced Semi-Conductor Packaging:** creation of a world leading prototyping capability in advanced packaging and provide access to expensive fabrication and test infrastructure that is unaffordable to local Small to Medium Sized Enterprises. In addition, it will create a national centre for manufacturing scale up of advanced semiconductor devices and enable manufacturing at scale, allowing companies to grow and collaborate to create a local supply chain and develop an open-access scale-up facility
- **Maritime:** Open-access facilities and shared resources will help build strong and future focused supply chain to meet demand for major upcoming opportunities and secure growth across the Region

2.11 The incorporation of a tax site within the Investment Zone programme creates additional opportunities for growth. Building on existing assets in Renfrewshire including the Advanced Manufacturing Innovation District Scotland (AMIDS), National Manufacturing Institute Scotland (NMIS), Medicines Manufacturing Innovation Centre

(MMIC) and Glasgow Airport, the tax site will focus on creating scalable opportunities through strategic land development.

- 2.12 Within North Lanarkshire there is one organisation Skyrora in Cumbernauld which operates within the space sector which has been selected as a project through the Open Call. Those organisations who were not successful in being ‘short-listed’ have been contacted and offered feedback on their application and the assessment process. Relationships will be maintained with these organisations to consider other opportunities where they can support the growth of the regional economy.

GCR IZ: Enabling Support

- 2.13 The regional benefits of the IZ will be further enhanced by the development of an Investment Fund and a programme to support businesses and develop skills. A total of £40.7m has been allocated to support these activities over the 10-year period. Officers from GCR local authorities will be engaged in the development of the enabling support programmes.
- 2.14 The Investment Fund totalling £30.7m will support the ongoing growth of the Advanced Manufacturing sector in the region. It will be available to support key inward investment opportunities that can enhance and compliment the established business base.
- 2.15 A further £10m will be utilised to accelerate business growth and workforce readiness with key initiatives including:
- Tailored Business Support: Providing supply chain companies with targeted resources and expertise to innovate, scale, and commercialise new technologies.
 - Skills Development: Training and upskilling workers for emerging needs in high-growth industries of semiconductors, space, and maritime sectors.

Inclusive Innovation

- 2.16 Using best practice, it is proposed that the Investment Zone will take an inclusive innovation approach to its development and delivery based on some key principles:
- Open-Access Facilities: Enabling shared use of advanced manufacturing infrastructure to foster cross-sector collaboration and innovation.
 - Technology Diffusion: Facilitating access to transformative technologies, such as decarbonisation tools for SMEs—particularly vital for SMEs that underpin the Region’s innovation economy. By democratising access, these businesses can enhance productivity, adopt sustainable practices, and secure positions in high-value markets.
 - Promoting Fair Work and Inclusive Growth: Through collaboration with the Inclusive Growth Network, the programme embeds fair work principles to ensure that residents from disadvantaged socioeconomic backgrounds benefit from the jobs and opportunities generated.
 - An Equalities Impact Assessment (EQIA) will also be undertaken.

Next Steps and Due Diligence

- 2.17 A draft of Investment Zone Governance has been submitted to the UK and Scottish Governments for consideration.

- 2.18 A dedicated GCR IZ Programme Manager has been recruited and will take up post in early April 2025. The Programme Manager will work directly with the short-listed bidders to help refine their submissions.
- 2.19 The next phase of GCR IZ Programme Development will involve in-depth due diligence of the 'short-listed' projects. Capacity funding of £6.4m has been allocated to support this phase of the development. This analysis will consider the proposed interventions, expected outputs and outcomes, together with a full budget profile, over the 10-year period of the IZ. This phase will also include the completion of the Government required Gateway 4 submission.
- 2.20 The development of the proposed GCR IZ skills and business support interventions will take place in the coming 3-month period, together with scoping the broad parameters for the GCR IZ Investment Fund.
- 2.21 As part of the due diligence phase, the GCR Intelligence Hub will also undertake a further review of the economic analysis / impact of each 'short-listed' project, to ensure consistency of approach in measuring outcomes and impacts across the programme.

3. Measures of success

Specific measures of success will be established as the Investment Zone develops in line with the objectives set, programme and project business cases, and the adopted economic impact approach utilised by Glasgow City Region.

4. Supporting documentation

- 4.1 There is no supporting documentation



Pamela Humphries
Chief Officer (Place)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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<p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.7 Environmental / Carbon impact Does the report / project / practice contain information that has an impact on any environmental or carbon matters? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
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North Lanarkshire Council Report

Enterprise and Fair Work Committee

Does this report require to be approved? Yes No

Ref (AG/PK)

Date

02/05/25

Routes to Work Ltd Service Level Agreement 2025/26

From Alison Gordon, Chief Social Work Officer (Education, Families, Justice & Integration)

E-mail gordonal@northlan.gov.uk

Telephone

01698 332001

Executive Summary

Routes to Work Ltd, a Council ALEO, delivers several employability programmes funded by the Council and subject to an annually negotiated SLA (Service Level Agreement) which specifies targets and expenditure. Key parts of the Council's employability programmes related to supporting unemployed or economically inactive residents are delivered by Routes to Work Ltd on the Council's behalf across a range of venues in our communities. The current SLA ends in March 2024 and the new SLA is required for the period 2025/26 to ensure continuity of provision in North Lanarkshire's communities. Each SLA is designed to ensure services are adjusted to meet the current challenges in our communities and the new SLA will support the Council's aim of addressing the recent rise in economic inactivity. Routes to Work Ltd. is the most significant contributor to the effectiveness of North Lanarkshire Council's community based employability programmes which, as part of The Plan for North Lanarkshire's, support our residents to move into fair and sustainable employment.

Recommendations

It is recommended that the Committee:

- (1) Approves the Service Level Agreement with Routes to Work Ltd for 2025/26.

The Plan for North Lanarkshire

Priority	Improve economic opportunities and outcomes
Ambition statement	(11) Increase economic opportunities for adults by understanding, identifying, and addressing the causes of poverty and deprivation and barriers to financial inclusion
Programme of Work	Brighter Futures

1. Background

- 1.1 Routes to Work, established in 2002, is a company limited by guarantee with charitable status which is owned by North Lanarkshire Council. Routes to Work has been comprehensively reviewed in 2019 and 2024 with the latest review being reported to

the Policy and Strategy Committee on 13 March 2025 where it was agreed that no change to the external delivery arrangements are needed.

- 1.2 Key strengths of the organisation identified in each review were its established brand and presence within communities and track record of consistently supporting people into sustainable employment alongside a service which treats residents with dignity and respect. The organisation provides a range of free employability services to North Lanarkshire residents as part of the programmes funded by the Council and specialises in providing case worker support to unemployed residents, access to vocational training and the short-term costs associated with moving from benefits to employment, such as childcare and travel. They also provide in-work support for up to 6 months for those participants that require it.
- 1.3 Routes to Work Ltd are funded by the Council to play a central role within the employability landscape in North Lanarkshire in their delivery of services across all ages as well as in their focus on moving people into employment. There are a number of other providers active within North Lanarkshire and these are managed by the local employability partnership, chaired by the Council, to work in a manner that avoids duplication and integrates their services with those of Routes to Work Ltd. The Council employability team manage the alignment of these programmes and monitor their delivery as well as ensuring the overall strategy in line with the Brighter Futures Programme of Work and The Plan for North Lanarkshire.

2. Report

- 2.1 The programmes funded by the Council and external funders in 2024/25 for delivery by Routes to Work were:
- (i) *North Lanarkshire's Working (NLW)* – North Lanarkshire wide programme for all unemployed or underemployed residents offering support to access advice, training and employment opportunities within local communities. This was the second year of a two-year programme jointly funded by the UK Shared Prosperity Fund and the Council.
 - (ii) *Working Matters (WM)* - Area targeted programme aimed at economically inactive residents and parents who have barriers such as long periods of unemployment, lack of qualifications, health issues. This was the second year of a two-year programme jointly funded by the UK Shared Prosperity Fund and the Scottish Government.
 - (iii) *No One Left Behind (NOLB)* - support for unemployed 16-19 year olds and additional support to the Education & Families Pathways Programme for school leavers to enter a job or training. This was a single year programme funded by the Scottish Government.
 - (iv) *Working for Families (WfF)* - support targeted at low-income parents across North Lanarkshire with the long-term aim of increasing families incomes from employment. This was a single year programme funded by the Scottish Government.

2.2 2024/25 Performance

The performance targets and expenditure levels for 2024/25 have been the subject of monthly monitoring meetings and quarterly funding reports as well as being reviewed within the six-monthly Performance and Finance reports submitted to the Enterprise and Fair Work Committee. This has been the second year of the UK Shared Prosperity Fund and a greater focus on tackling economic inactivity as well as unemployment and this has proved a real challenge with results in the economically inactive group being

mixed. It is also reflected in the actual levels of funding claimed and the lessons of 2024/25 have been fed into the plans for 2025/26.

- 2.3 Final figures for 2024/25 are provided below and table 1 shows the actual performance against job outcome targets as well as the sustainability of employment, which is measured after 26 weeks, and table 2 shows expenditure against that agreed within the SLA.

Table 1: Job Outcomes (JO) & % sustained at 26 weeks (%s26)

2024/25 Programmes	Target		Actual	
	JO	%s26	JO	%s26
NLW	886	70%	724	75%
WM	56	70%	51	76%
NOLB	155	70%	157	77%
WfF	192	70%	190	77%
Total	1289	70%	1122	76%

Table 2: Expenditure

2024/25 Programmes	SLA Expenditure	Actual	Funding Source
NLW	£3,084,760	£2,824,254	50% NLC/ 50% UKSPF
WM	£670,409	£494,800	42% SG / 58% UKSPF
NOLB	£687,413	£570,340	SG
WfF	£752,741	£603,508	SG
Total	£5,195,323	£4,492,902	- £702,421

- 2.4 Council funded employability programmes are being delivered in a challenging labour market with sustained low unemployment and employers continuing to work with vacancies, despite the increased cost of living pressures though these are being mitigated by higher-than-average wages in North Lanarkshire. The increased numbers of economically inactive residents with long term health conditions and/or caring responsibilities that have emerged recent years continue to present the local labour market with its biggest challenge and analysis of the Council funded employability programmes shows that 22% had a health condition that has lasted 12 months or more. This is reflected in the job outcome results above which do not reflect the high levels of engagement and activity delivered by the Council's investment across our communities.
- 2.5 Further analysis of the investment provided by the Council shows it is reaching the residents where it can make the greatest impact. This analysis confirms that 40.69% of funding in 2024 went to unemployed 16-24 year olds, a group that have always been a priority for the Council and that 50.7% of employability clients live in the 20% least prosperous datazones. There has also been a significant increase in BAME registrations since pre-pandemic trends. In 2019, 4.6% of clients had a BAME background, but this was 11.0% in 2024 and is a reward for increased engagement and targeting with these communities.¹

2.6 2025/26 Targets and Funding

The design of the new SLA targets and funding model has been based on the experience of delivery within the current labour market and reflects the ambition of the Council to contribute to making a real impact on the economic inactivity levels in our communities alongside maintaining the high levels of support for unemployed residents. Economically inactive residents differ from unemployed residents in that they are not seeking work. The design also reflects the requirements of our external

fundings which are the UK Government through its Shared Prosperity Fund (SPF) and the Scottish Government through its No One Left Behind (NOLB) fund. Therefore, for 2025/26 targets and performance measurement will separately account for economic activity and unemployed clients engagement and support into work.

2.7 **UK Shared Prosperity Fund**

As reported to this committee on 14 February 2025 the allocation of SPF to North Lanarkshire has been reduced but comes with the benefit of being less prescriptive than that operated from 2023-2025. For employability the allocation of £1,568,837 is 78% of that allocated in the year 2024/25 (£2,022,976) which was split across two programmes delivered by Routes to Work Ltd. and separately tackling economic inactivity and unemployment. In 2025/26 there will be one SPF employability programme (*North Lanarkshire's Working*) delivered by Routes to Work Ltd. which will offer an all-age service and will ensure there is a continuity of employability support in every community in North Lanarkshire. This new single programme will encompass economic inactivity and unemployment targets.

2.8 **SG No One Left Behind Fund**

The Scottish Government funded programmes are also broadly similar to last year with the NOLB funded Routes to Work *Youth Service* programme targeted on 16-19 year olds who are unemployed as well as providing support to the Education and Families Pathways Programme for young people about to leave school. There is continued expansion in the *Working for Families* programme delivered across North Lanarkshire including that part delivered by Routes to Work Ltd. This is due to the sustained level of funding from the Scottish Government to support parental employment as a route to tackle child poverty. This funding will mainly support out of work parents but also some employed parents on low incomes. The Routes to Work contribution to the parental employment programme is significant and is integrated with a range of other Working for Families initiatives co-ordinated by the Working for Families manager within the employability team. These include paid work placement programmes within the Council, NHS and third sector as well as services provided to employability directly by the Tackling Poverty team.

2.9 Within the three programmes described above there is support available for every person of working age in North Lanarkshire who is either economically inactive or unemployed with additional support for employed parents on low incomes to increase their earnings. To ensure a real focus on the current themes being highlighted by clients and other Council services there will be an additional focus on securing jobs for clients who face either health issues or barriers related to their involvement with our justice services. While there are additional targets for these groups the funding for their support will be drawn from the allocation of SPF and NOLB allocated to Routes to Work Ltd. within the SLA being proposed.

2.10 Proposed job outcome targets are given in Table 3 below alongside the sustainability targets for employment to offer members a straightforward snapshot of the SLA targets for 2025/26. Within Appendix 1 there is a full breakdown of the targets for engagement and job outcomes for economically inactive and unemployed residents with targets for a range of wider outcomes including numbers gaining qualifications, licenses and skills for every programme that funding is allocated to.

Table 3: Targets

2025/26 Programmes	SLA Target	
	JO	%s26
North Lanarkshire's Working (NLC/UK SPF)	648	70%
Youth Service (SG NOLB)	220	70%
Working for Families (SG NOLB)	224	70%
Additional Health & Justice Targets (NOLB and SPF)	128	70%
Total	1,220	70%

- 2.11 Funding for these programmes is detailed in Table 4 below. The levels of funding committed for UK Shared Prosperity Funds are already secured from the UK government until March 2026 and the Scottish Government Funds are subject to a grant agreement, also valid until March 2026. Where possible, external funding has been utilised to support the delivery of employability programmes with 73% of the total coming from the Scottish and UK Governments and 27% from NLC budgets allocated to match fund employability programmes.

Table 4: 2025/26 Proposed funding

2024/25 Programmes	SLA Expenditure	Funding Source
North Lanarkshire's Working (UK SPF/ NLC)	£3,648,139	57% NLC / 43 % UKSPF
Youth Service (SG NOLB)	£697,233	100% SG NOLB
Working for Families (SG NOLB)	£946,295	100% SG NOLB
Total	£5,291,667	39% NLC/ 31% SG/ UK 30%

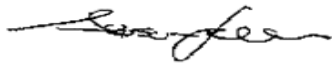
- 2.12 These services funded by the Council and provided by Routes to Work Ltd will play a major role in ensuring there is employability support available to every unemployed and underemployed resident of North Lanarkshire. The funding also provides the opportunity to focus work on specific groups who face specific barriers such as the economically inactive and retains the ongoing focus on targeting all 16-19 years olds who are unemployed, given the long term and negative impact that unemployment in these years can bring.
- 2.13 In addition, the organisation is committed to continuing to align its activities with The Plan for North Lanarkshire and playing a full role in supporting the Council achieve its ambitions.

3. Measures of success

- 3.1 Routes to Work Ltd continue to make a significant contribution to the Council's employability programmes and deliver on job outcomes within the agreed budgets across North Lanarkshire.

4. Supporting documentation

- 4.1 Appendix 1 Detailed Engagement and Job Outcome Targets for Routes to Work Ltd 2025/26
Page 39 of 108
- 4.2 Appendix 2 Draft Service Level Agreement between North Lanarkshire Council and Routes to Work Ltd.



Alison Gordon
Chief Social Work Officer (Education, Families, Justice & Integration)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? <i>All costs associated with the SLA are dictated by the financial parameters agreed at the outset for the delivery of the Council's UKSPF projects. Council resources to match fund this activity are from NLC Match Funding allocated to employability projects. Routes to Work operate on a full cost recovery basis which requires that all costs claimed reflect actual costs incurred and these are 100% verified quarterly and subject to annual external audit.</i>
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>

<p>5.6</p>	<p>Technology / Digital impact</p> <p>Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.7</p>	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.8</p>	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.9</p>	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p> <p><i>Managing and monitoring service performance supports the ongoing monitoring of the service's risk register.</i></p>
<p>5.10</p>	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p> <p><i>Within all Council employability programmes veterans are immediately eligible for support alongside other priority groups.</i></p>
<p>5.11</p>	<p>Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p>

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes

No

Detailed Engagement and Job Outcome Targets for Routes to Work Ltd 2025/26**North Lanarkshire's Working - All Age Service, funded by SPF / NLC**

SLA Outputs	Targets
Number of economically inactive people engaging with Routes to Work services	299
Number of economically inactive people in employment, including self-employment, following support	120
Number of unemployed people engaging with Routes to Work services	1056
Number of unemployed people in employment, including self-employment, following support	528
Number of people gaining qualifications, licences and skills	418
% of clients sustaining at 6 months	70%

Youth Service – 16-19 year olds, funded by NOLB

SLA Outputs	MS Targets
Number of economically inactive people engaging with Routes to Work services	71
Number of economically inactive people in employment, including self-employment, following support	38
Number of unemployed people engaging with Routes to Work services	227
Number of unemployed people in employment, including self-employment, following support	123
Number of in school YP people engaging with Routes to Work services	132
Number of in school YP people in employment, including self-employment, following support	59
Number of people gaining qualifications, licences and skills	138
Number of people progressing entering FE/HE	45
% of clients sustaining at 6 months	70%

Working for Families – out of work and in work parents, funded by NOLB

SLA Outputs	Targets
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Number of OOW parents engaging with Routes to Work services	353
Number of OOW parents in employment, including self-employment, following support	177
Number of In Work parents engaging with Routes to Work services	177
Number of In Work parents progressing in employment, including self-employment, following support	47
Number of parents gaining qualifications, licences and skills	117
% of clients sustaining at 6 months	70%

Health and Justice Targets – All Age, funded by NOLB 80% & SPF 20%

SLA Outputs	Targets
Number of economically inactive people engaging with Routes to Work services	112
Number of economically inactive people in employment, including self-employment, following support	46
Number of unemployed people engaging with Routes to Work services	206
Number of unemployed people in employment, including self-employment, following support	82
Number of people gaining qualifications, licences and skills	90
% of clients sustaining at 6 months	70%



Service Level Agreement

between

North Lanarkshire Council

and

Routes to Work Limited

for

- (i) North Lanarkshire's Working**
- (ii) Youth Service**
- (iii) Working for Families**

April 2025 - March 2026

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1 INTRODUCTION

- 1.1 This Agreement records the arrangement between the Council and the Provider for the provision of Employability Services in North Lanarkshire in respect of the management and delivery of the UK Shared Prosperity Fund (UKSPF) programme North Lanarkshire's Working, and UKSPF ineligible core costs associated with the delivery of these and delivery of the Scottish Government funded No One Left Behind and Working for Families programmes.
- 1.2 The Agreement sets out the relationship between the Council and the Provider including respective roles and responsibilities.
- 1.3 The Service is funded through a combination of funding as detailed in the Finance Schedule and the Agreement sets out all the requirements of these funding streams.
- 1.4 The Agreement has been formulated within the context of the Council's decision at a meeting of the Enterprise & Fair Work Committee on 2 May 2025 to appoint the Provider to perform the Service.
- 1.5 The Agreement will form part of the Council's approach to developing mechanisms to remove barriers that clients residing within North Lanarkshire face in accessing employment opportunities. Targeting people of working age who are not in work, the Agreement aims to achieve this by developing a structured pathway towards sustainable labour market integration.

2 DEFINITIONS

"Agreement" means the contract between the Council and the Provider consisting of this service level agreement and any other documents, schedules or annexes (or parts thereof) specified in the Agreement.

"The Council" means North Lanarkshire Council, a Local Authority created under the Local Government (Scotland) Act 1994 and its statutory successors whomsoever

"Equalities Legislation" means the Equalities Act 2010 and all other relevant statutory obligations in relation to equalities which apply in the UK or the EU equivalent.

"Force Majeure" means any event or occurrence which is outside the reasonable control of the party concerned and which is not attributable to any act or failure to take preventative action by that party, including fire, flood, violent storm, pestilence, explosion, malicious damage, armed conflict, acts of terrorism, nuclear, biological or chemical warfare or any other disaster, natural or man-made but excluding (a) any industrial action occurring within the Provider's organisation; or (b) the failure by any sub-contractor to perform its obligations under any contract.

"GDPR" means the Data Protection Act 2018, the General Data Protection Regulation ((EU) 2016/679) and the Privacy and Electronics Communications (ED Directive) Regulations 2003 as such legislation may be amended, updated or replaced with equivalent legislation from time to time.

"Intellectual Property Rights" means all patents, trademarks, registered designs (and any applications for any of the foregoing) copyright (including rights in software – object code and source code), semi-conductor topography rights, database rights, unregistered design rights, rights in and to trade names, business names, domain names, product names and logos, databases, inventions, discoveries, know-how and any other intellectual or industrial property rights in each and every part of the world together with all applications, renewals, revisions and extensions.

"The Provider" means Routes to Work Limited.

"Service" means the provision of any goods, services, articles or materials which, as the context of the Agreement so requires, the Provider is obliged to provide to the Council as detailed in the Specification.

“Specification” means the description of the Service annexed at Schedule A to the Agreement.

“Participant” means the individual recipient of the service provision.

“Participant Records” means all associated forms and records required relating to the participants participation in the service provided.

“CEDR” means the Centre for Effective Dispute Resolution.

“Minor Breach” means a delay or non-performance by the Provider of their obligations under the Agreement which does not materially, adversely and substantially affect the execution of the Agreement.

“Serious Breach” means any breach or a series of “Minor Breaches” by the Provider of its obligations under the Agreement which adversely, materially and substantially affects the execution of the Agreement (or adversely affects the health and safety of staff or Participants); or a “Minor Breach” of a specific obligation in respect of which the Council has served two consecutive notices concerning the same or similar circumstances from where the Provider has failed to remedy that breach.

The condition and paragraph headings used herein are for purposes of convenience or reference only and they shall not be used to explain, limit or extend the meaning of any part of the Agreement.

The masculine includes the feminine and the singular includes the plural and vice versa unless the context otherwise requires.

3 PURPOSE OF AGREEMENT

- 3.1 The Agreement is between the Council and the Provider in respect of provision by the Provider to the Council, of the Service.

4 PERIOD OF AGREEMENT

- 4.1 The Agreement will commence on 1 April 2025 and finish on 31 March 2026.
- 4.2 The Council reserves the right, at its sole discretion, to extend the Agreement for a period beyond the date mentioned in Clause 4.1 above, always under the same terms and conditions as are specified in the Agreement.

5 QUALITY OF SERVICE

- 5.1 The Service shall comply in all respects with the Agreement or any authorised variation thereto and shall be completed in a proper manner to the standards of best technical and commercial practices using competent and appropriately trained staff taking due and diligent care and attention at all times.

6 PROVIDER'S STATUS

- 6.1 In carrying out the Service, the Provider shall be acting as principal and not as the agent of the Council. Accordingly the Provider shall not (and shall procure that his agents and servants do not) say or do anything that might lead any other person to believe that the Provider is acting as the agent of the Council.

7 PAYMENT

- 7.1 The Council shall meet the costs of invoices which it accepts as accurate and pertinent to the provision by the Provider of the Service under the Agreement. The Provider shall be obliged to comply with all terms and conditions contained in Schedule B of the Agreement, and with all other obligations contained in the Agreement, prior to being entitled to any payment by the Council in respect of the Service carried out under the Agreement.

8 VARIATION

- 8.1 The terms of the Agreement shall not be amended, modified or varied in any way whatsoever, other than by a written minute of variation between the parties.

9 FRAUD

- 9.1 The Provider shall use their best endeavours to safeguard the Council's funding of the Service against fraud generally and, in particular, fraud on the part of the Provider's directors, employees or sub-contractors. The Provider shall pay the utmost regard to safeguarding public funds against misleading claims for payment and shall notify the Council immediately if they have reason to suspect that any irregularity or fraud has occurred or is occurring.
- 9.2 The Provider shall co-operate with the Council and assist in the identification of Participants who may be unlawfully claiming state benefits. The Council may from time to time brief the Provider as to the co-operation and assistance it reasonably requires including the provision of information regarding fraud by Participants. On receipt of the information, further evidence may be collected by the Council or other department, office or agency of Her Majesty's Government with a view to prosecution.
- 9.3 Any act of fraud committed by the Provider (whether under the Agreement or any other contract with the Council) shall entitle the Council to terminate the Agreement, and any other contract the Council has with the Provider, by written notice to the Provider.

10 INTELLECTUAL PROPERTY RIGHTS

- 10.1 The Council and the Provider acknowledge that all Intellectual Property Rights owned by each other at the date of the Agreement shall remain so owned.
- 10.2 Except to the extent that the Agreement is carried out in accordance with designs furnished by the Council, no part of the Agreement will infringe any patent, trade mark, registered design, copyright or other rights in the nature of intellectual property of any third party and the Provider shall indemnify the Council against all actions, suits, claims, demands, losses, charges, costs and expenses which the Council may suffer or incur as a result of or in connection with any breach of this condition.
- 10.2 All rights (including ownership and copyright) in any specifications, instructions, plans, drawings, patterns, models, designs or other material furnished to or commissioned by the Council or made available to the Provider by the Council shall remain vested in the Council and the Provider shall not (except to the extent necessary for the performance of the Agreement) without prior written consent of the Provider use or disclose any such specification, plan, drawing, pattern, model, design or information or other materials (whether or not relevant to the Agreement) which the Provider may obtain in the performance of the Agreement.
- 10.3 All inventions, designs, methods, processes, data and software discovered or generated as a result of or in the course of the Agreement and all intellectual property rights therein and in anything produced in the course of the performance of the Agreement shall belong to the Council and the Provider agrees to assign the same to the Council without cost.

11 INTELLECTUAL PROPERTY RIGHTS INDEMNITY

- 11.1 The Provider shall indemnify the Council against all claims, demands, actions, costs, (including legal costs and disbursements on a solicitor and client basis), and losses arising from or incurred by reason of any infringement or alleged infringement in the UK of any Intellectual Property Right in connection with execution of the Agreement by the Provider.
- 11.2 The Provider shall promptly notify the Council if any claim or demand is made or action brought against the Provider for infringement or alleged infringement of any third party Intellectual Property Rights which may affect the execution of the Agreement.

12 INDEMNITY AND INSURANCE

- 12.1 Without prejudice to any rights or remedies of the Council (including but not limited to the Council's rights under clause 19 hereof) the Provider shall indemnify the Council against all suits, actions, claims, demands, losses, charges, costs and expenses which the Council may suffer or incur as a result of or in connection with any damage to property or in respect of any injury (whether fatal or otherwise) to any person which may result directly or indirectly from any defect in the Service or any negligent or wrongful act or omission of the Provider.
- 12.2 The Provider shall effect (and shall ensure that any sub-contractor shall effect) with a reputable insurance company a policy or policies of insurance covering all matters which are the subject of indemnities under the Agreement including Public Liability insurance to a minimum sum of £5,000,000 and Employers Liability insurance to a minimum sum of £10,000,000 in each case in respect of any one incident and unlimited to the number of incidents unless otherwise agreed by the Council in writing.
- 12.3 At the request of the Council, the Provider shall produce within forty-eight (48) hours, the policy or policies required under clause 12.2 together with receipts or other evidence of payment of the latest premium due thereunder.

13 EQUALITIES LEGISLATION

- 13.1 The Provider shall not unlawfully discriminate within the meaning and scope of the provisions of the Equalities Legislation. The Provider shall take all reasonable steps to secure the observance of the Equalities Legislation by all servants, employees or agents of the Provider and all sub-contractors employed in the execution of the Agreement. The Provider shall at all times comply with the requirements of the Human Rights Act 1998 insofar as they are carrying out a function for the Council. The Provider will indemnify the Council against any and all claims which may be made against the Council due to the breach of the Equalities Legislation and/or Human Rights Act 1998 which is caused by or arises out of the Agreement or any actions or omissions of the Provider.

14 TERMINATION

- 14.1 The Agreement may be cancelled or suspended at any time by the Council giving the Provider 28 calendar days notice. The Council shall meet all outstanding invoices due to the Provider in respect of the Service at the time of termination, provided that the Council has accepted those invoices as valid, relevant and pertinent to the Service to be provided by the Provider under the Agreement.
- 14.2 Without prejudice to any other rights or remedies of the Council, the Council shall have the right forthwith to terminate the Agreement by written notice if the Provider (if a company) shall have an administrator or receiver appointed or shall go into liquidation (other than for the purposes of reconstruction or amalgamation) or (if an individual) be declared bankrupt under the provisions of the Bankruptcy (Scotland) Act 1985.

15 RECOVERY OF SUMS DUE

- 15.1 Wherever under the Agreement any sum of money is recoverable from or payable by the Provider, that sum may be deducted from any sum then due, or which at any later time may become due, to the Provider under the Agreement or under any other agreement or contract which the Provider holds or previously held with the Council.

16 CONFIDENTIALITY

- 16.1 The Agreement and the subject matter thereof and any information supplied by the Council and relating in any way to the Council's business, processes, research or property shall be used for the exclusive purpose of performing the Agreement and be treated as and kept confidential by the Provider who shall not disclose it or any details thereof for any purpose whatsoever without the Council's prior written consent.
- 16.2 As a Scottish public authority, the Council is bound by the provisions of the Freedom of Information (Scotland) Act 2002. All information submitted to the Council may therefore need to be disclosed and/or published by the Council in compliance with the Act (the decision of the

Council in the interpretation thereof shall be final and conclusive in any dispute, difference or question arising in respect of disclosure under its terms), and any other law, or, as a consequence of judicial order, or order by any court, tribunal or body with the authority to order disclosure (including the Scottish Information Commissioner).

- 16.3 The Provider will comply with the requirements of the GDPR which shall include, but not be limited to, the provision and maintenance of technical and security arrangements for processing personal data and the provision of assistance to the Council when they are dealing with subject access requests. The Provider shall ensure that any sub-contractors shall comply with the requirements of the GDPR.

17 ASSIGNMENT AND SUB-CONTRACTING

- 17.1 The Provider shall not assign or sub-contract any portion of the Agreement without the prior written consent of the Council, the granting of such consent being at the Council's sole discretion. Sub-contracting any part of the Agreement shall not relieve the Provider of any obligation or duty attributable to them under the Agreement. The Council shall reserve in all instances the right to refuse consent to the Provider assigning, sub-contracting or alienating in any manner howsoever (including but not limited to the situation where the Provider enters into the ownership of a third party) any of its rights and/or obligations under this Agreement to a third party.

18 NOTICES

- 18.1 Any notice given under or pursuant to the Agreement may be sent by hand or by post or by registered post or by the recorded delivery service or transmitted by telex, telemessage facsimile transmission or other means of telecommunication resulting in the receipt of a written communication in permanent form and if so sent or transmitted to the address of one party by the other party, shall be deemed effectively given on the day when in the ordinary course of the means of transmission it would first be received by the addressee in normal business hours.

19 DEFAULT

- 19.1 The parties acknowledge and agree that the Agreement is to be provided in the spirit of co-operation. Each party shall do all things reasonably necessary to co-operate, aid and assist the other in its performance of its obligations under the Agreement.

- 19.2 Any one instance of failure by the Provider to meet any general or specific performance targets set shall constitute "Minor Breach" whilst repeated or continual failure to meet such performance targets shall constitute "Serious Breach".

- 19.3 In the event of a "Minor Breach" the Council will adopt the following procedure:

19.3.1 The Council shall serve 1 notice on the Provider specifying that it is a formal warning notice and giving reasonable details of the breach sufficient for the Provider to identify the breach. Within five (5) working days of receipt of such notification, the Provider shall meet with the Council to discuss why the breach has occurred and how it will be remedied. The Provider shall have a reasonable period (such period to be mutually agreed, and in the absence of mutual agreement, to be no longer than twenty-eight (28) calendar days) following such meeting to remedy the breach. Notwithstanding any other remedy under the Agreement, the Council shall be entitled to require the Provider to promptly re-perform or replace the relevant part of the Agreement without additional charge to the Council.

- 19.4 In the event of a "Serious Breach", the Parties shall adopt the following procedure:

19.4.1 the Council shall serve written notice on the Provider giving reasonable details of the breach sufficient for the Provider to identify the breach and requiring the Provider to meet with the Council forthwith. Upon receiving notification, the Provider shall meet with the Council forthwith to determine and agree in good faith and acting reasonably whether a contingency plan is available to deal with the "Serious Breach".

In the event that a contingency plan is activated, the Provider shall reimburse the Council in respect of any costs incurred by the Council in activating the same (as set out in the contingency plan) provided that the Council shall do all things to mitigate such costs including by using the resources of the Provider as appropriate. In the event that a contingency plan is not available the Provider shall within five (5) Working Days provide to the Council a plan, which to the Council's reasonable satisfaction, will when implemented resolve the breach or remedy the breach itself.

- 19.5 In the event that the Provider fails to meet any required action in a contingency plan or a contingency plan is not available and the Provider does not present a satisfactory alternative plan, the Council shall be entitled, at its discretion, to serve twenty-eight (28) calendar days' notice on the Provider of its intention to terminate the Agreement.
- 19.6 For so long as and to the extent that the required action is taken which prevents the Provider from executing the Agreement, the Provider shall be relieved of their obligations under the Agreement and in respect of the period in which the Council is taking the required action, the Council shall be entitled to deduct from any sums due to the Provider under the Agreement, an amount equal to the Council's reasonable costs in taking the required action (including where relevant the costs of any sub-contractors), provided that the Council shall do all things to mitigate such costs including by using the resources of the Provider (in each case as appropriate).
- 19.7 The Council shall at its discretion be entitled to continue the required action until the breach has been remedied and the Provider has demonstrated to the Council's reasonable satisfaction that it can execute the Agreement without a material probability of repeating the breach.

20 DISPUTE RESOLUTION

- 20.1 In the event of any dispute or event of default under the Agreement, arising between the Council and the Provider which cannot be resolved directly by them, the issue in dispute will be referred for dispute resolution in accordance with the Dispute Resolution Procedure outlined in Schedule D herein.

21 STATUTES

- 21.1 The Provider warrants that at all times in the performance of the Agreement they shall comply with all statutory requirements and obligations. All references to Statutes shall include future amendments and re-enactments of the same.

22 GOVERNING LAW

- 22.1 The Agreement shall be governed by and construed in accordance with Scots Law and the Provider hereby irrevocably submits to the jurisdiction of the Scottish courts. The submission to such jurisdiction shall not (and shall not be construed so as to) limit the right of the Council to take proceedings against the Provider in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

23 TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT) 2006 : TUPE

- 23.1 Upon termination of this Agreement TUPE 2006 Regulations may or may not apply in such circumstances that the Service being provided continues (in part or whole) by another service provider. In such circumstances the Provider is expected to fully cooperate and provide the necessary information to ensure full compliance with TUPE Regulations.

24. FORCE MAJEURE

No parties shall be liable to the other party for any delay in performing or failing to perform its obligations under the Agreement (other than a payment of money) to the extent that such delay or failure is a result of a Force Majeure event.

Notwithstanding the foregoing, each party shall use all reasonable endeavours to continue to perform its obligations under the Agreement for the duration of such Force Majeure event. However if such Force Majeure event prevents either party from performing its material obligations under the Agreement for a period in excess of six months either party may terminate the Agreement with immediate effect by notice in writing.

Any failure or delay by the Provider in performing its obligations under the Agreement which results from any failure or delivery by an agent, sub-contractor or supplier shall be regarded as due to Force Majeure only if that agent, sub-contractor or supplier is itself impeded by Force Majeure from complying with an obligation to the Provider.

If any Party becomes aware of a Force Majeure event which gives rise to or is likely to give rise to any failure or delay on its part it shall immediately notify the other party by the most expeditious method then available and shall inform the other of the period for which it is estimated that such failure or delay shall continue.

25 EMPLOYMENT PRACTICES

The Provider will issue that it takes a positive approach to fair working practices for employees (including any agents or sub-contractor employees) or part of a fair and equitable employment and reward practice which includes but is not limited to a fair and equal pay policy that includes a commitment to supporting the Living Wage, clear management responsibility to nurture talent and help individuals fulfil their potential, promoting equality of opportunity and developing a workforce which reflects the population of Scotland in terms of characteristics such as age, gender, religion or belief, sexual orientation and disability, support for learning and development, stability of employment and hours of work, avoiding exploitative employment practices, support for flexible working, family friendly working and wider work life balance and support for progressive workforce engagement.

26 ENVIRONMENTAL SUSTAINABILITY

The Provider will ensure that its operations and activities are undertaken in a manner that minimises adverse impacts to the local and global environment. It will monitor and minimise its energy use and associated emissions, reduce its use of raw materials and increase the re-use and recycling of waste. In particular it will work with customers and employees to maximise the use of active travel and public transport, work with partners to provide suitable cycling and electric charging infrastructure and ensure that a full range of waste recycling options are provided.

SIGNATORIES TO THE AGREEMENT

For and behalf of North Lanarkshire Council

Name Paul Kane
Signature
Designation Business Manager (Employability & Skills Development)
Address Civic Centre, Windmillhill Street, Motherwell, ML1 1AB
Date

For and behalf of Routes to Work Limited

Name
Signature
Designation
Address
Date

SCHEDULE A

SPECIFICATION

1 SPECIFICATION NORTH LANARKSHIRE'S WORKING, YOUTH SERVICE & WORKING FOR FAMILIES

1.1 **North Lanarkshire's Working** is valued as follows in terms of costs eligible for UKSPF grant and core costs ineligible for UKSPF grant and will deliver all-age employability programmes across all communities, and these will be targeted on economically inactive and unemployed residents who face barriers to entering or progressing in the labour market:

Eligible	£3,468,956	Ineligible	£179,183
Total	£3,648,139		

North Lanarkshire's Working has outcomes detailed below with a 70% sustainment target on job entries at 26 weeks.

North Lanarkshire's Working - All Age Service, funded by SPF / NLC

SLA Outputs	Targets
Number of economically inactive people engaging with Routes to Work services	299
Number of economically inactive people in employment, including self-employment, following support	120
Number of unemployed people engaging with Routes to Work services	1056
Number of unemployed people in employment, including self-employment, following support	528
Number of people gaining qualifications, licences and skills	418
% of clients sustaining at 6 months	70%

1.2 **Youth Service** is valued as follows in terms of costs and will provide support for unemployed/ economically inactive 16-19 year old residents in North Lanarkshire, and including support to the Education and Families Pathways Programme:

Eligible	£697,233
Total	£697,233

No One Left Behind outcomes detailed below with a 70% sustainment target on job entries at 26 weeks.

Youth Service – 16-19 year olds, funded by NOLB

SLA Outputs	MS Targets
Number of economically inactive people engaging with Routes to Work services	71

Number of economically inactive people in employment, including self-employment, following support	38
Number of unemployed people engaging with Routes to Work services	227
Number of unemployed people in employment, including self-employment, following support	123
Number of in school YP people engaging with Routes to Work services	132
Number of in school YP people in employment, including self-employment, following support	59
Number of people gaining qualifications, licences and skills	138
Number of people progressing entering FE/HE	45
% of clients sustaining at 6 months	70%

- 1.3 **Working for Families** is valued as follows in terms of costs eligible for No One Left Behind Grant and will provide support for unemployed/ underemployed low-income parents in North Lanarkshire:

Eligible	£946,295
Total	£946,295

Working for Families outcomes detailed below with a 70% sustainment target on job entries at 26 weeks.

Working for Families – out of work and in work parents, funded by NOLB

SLA Outputs	Targets
Number of OOW parents engaging with Routes to Work services	353
Number of OOW parents in employment, including self-employment, following support	177
Number of In Work parents engaging with Routes to Work services	177
Number of In Work parents progressing in employment, including self-employment, following support	47
Number of parents gaining qualifications, licences and skills	117
% of clients sustaining at 6 months	70%

- 1.4 In addition to the above performance, additional outcomes for clients with health and justice barriers are included as below:

Health and Justice Targets – All Age, funded by NOLB 80% & SPF 20%

SLA Outputs	Targets
Number of economically inactive people engaging with Routes to Work services	112
Number of economically inactive people in employment, including self-employment, following support	46
Number of unemployed people engaging with Routes to Work services	206
Number of unemployed people in employment, including self-employment, following support	82
Number of people gaining qualifications, licences and skills	90
% of clients sustaining at 6 months	70%

2 FINANCIAL APPRAISAL AND MONITORING

- 2.1 The primary purpose of Financial Appraisal and Monitoring (FAM) is to provide the Council with an assurance that payments to the Provider are in accordance with Council requirements that public funds are protected and that value for money has been obtained.
- 2.2 Planning of FAM visits to the Provider shall take account of the materiality and the assessment of the risk attached to the delivery of the provision. The assessment of risk shall follow an evaluation of the key, relevant systems adopted by the Provider, supported by the results of testing undertaken.
- 2.3 The Provider shall have systems in place to:
- (a) detect and prevent duplicate claims;
 - (b) prepare and submit accurate, valid, supported, timely claims;
 - (c) monitor, record and manage lateness and all absences;
 - (d) support claims for on-programme-payments through an effective attendance recording procedure;
 - (e) ensure that all the required evidence is collected (and submitted, where appropriate) to support the claim;
 - (f) identify Participants who have left the Programme (“Leavers”) early to prevent over claiming;
 - (g) carry out effective monitoring of sub-contractors;
 - (h) respond to FAM reports with an appropriate action plan.
- 2.4 The Council’s funding for the Service as detailed in the Agreement will be allocated to the Provider according to the Finance Schedule contained in Schedule B herein. Amendments to planned expenditure must be approved by the Council. This process

will involve the submission of a written statement outlining why planned expenditure needs to be realigned and a revised budgetary projection/forecast for the duration of the Agreement. If the written submission is authorised by the Council then the Council retain the right to review this at any given time.

- 2.5 On completion of the Agreement all records, created by the Provider in the furtherance of its obligations under the Agreement, will become the property of the Council. A final monitoring visit will be arranged which will finalise all records and ensure that they are arranged in a suitable fashion. On receipt of a satisfactory final claim audit report all records will be transferred to the Council.
- 2.6 In the event the Council or external auditors identify that any expenditure claimed by the Provider is ineligible, or that inadequate records of proof of additionality are available and repayment of any external funds are due, or if repayment of funds is due for any other reason resulting from the actions/inaction of the Provider, then the Provider shall repay any funding already received, or appropriate part thereof, within thirty (30) working days of written demand from the Council.
- 2.7 Any expenditure deemed ineligible through any reasonable culpability on the part of the Provider shall not be met by the Council.
- 2.8 In the event that the Council terminates the Agreement under Clause 14 of this Agreement, and such termination was taken as a result of the Provider's having committed a Serious Breach then the Provider shall meet any costs incurred by the Council relating to the termination of the Agreement, and the process involved in selecting an alternative provider. Such costs include, but are not limited to, the loss of external funding by the Council and the loss of money endured by the Council, such money having been received by the Provider but unused, in the reasonable opinion of the Council, in the furtherance of the Service under this Agreement. The Provider shall be obliged to meet these costs within thirty (30) working days of written demand for the same from the Council.
- 2.9 The Provider must produce accurate and regular financial reports as requested by the Council in performance of the Service.
- 2.10 Without prejudice to its obligations under this Agreement, The Provider shall have the following management obligations:
 - (a) Responsibility for advertising, promoting and publicising the Service, subject to the conditions outlined in section 9 of this Agreement;
 - (b) Responsibility for submitting a robust "Performance Management Framework" that adheres to quality standards requested by the Council;
 - (c) Responsibility for the further development of innovative mechanisms and systems designed to effectively engage with the client group;
 - (d) Responsibility for maintenance of systems, which will enable client profiles and needs analysis to be completed for each client contact and intervention;
 - (e) Responsibility for all administration and record keeping and financial management relating to all aspects of the Agreement;
 - (f) Responsibility for the monitoring of Service delivery progress and co-ordination of all other related Service delivery;

- (g) Responsibility for compiling quarterly written reports, detailing Service delivery progress in comparison to pre-determined targets. This timescale may be reviewed should the Provider not meet specified targets and outputs;
- (h) Responsibility for ensuring prompt action to highlight any areas of concern in Service delivery. Failure to do this may result in a breach of contract and the introduction of performance management measures; and
- (i) Responsibility for Service delivery evaluation and end of year report. This may also involve engaging with external stakeholders and organisations working on behalf of the Council.

3 MONITORING THE SERVICE

- 3.1 The Council will use the Hanlon system as part of its monitoring procedures, therefore it is expected that the Provider will maintain up-to-date and accurate participant records on the system.
- 3.2 All Participants will be made aware of the mandatory need for programme monitoring and that they may be asked from time to time to participate in consultations. The Council will provide a minimum of five (5) days notice for any notified visit. Should this date not be suitable the Provider must inform the Council within two (2) working days to schedule a new visit. Failure to adhere to this will result in a breach of the Agreement.
- 3.3 The Council reserves the right to monitor and review any Participant Records.
- 3.4 All performance indicators, customer tracking information, customer feedback, customer complaints and compliments, and monitoring information will be fed back to the Council by the Provider through the monitoring reports.
- 3.5 The Council reserves the right to review monitoring and evaluation process arrangements should the management information requirements of the Council change.
- 3.6 The Provider shall allow access by external auditors to all project records under notification by the Council, assuming no conflict with the GDPR.
- 3.7 The Council may also appoint an external consultant to participate in the monitoring and evaluation of the Provider's performance and the Provider will co-operate with such consultants and take all reasonable and necessary steps to implement recommendations made.
- 3.8 The Council reserves the right to introduce bespoke management information systems that allow the Provider to capture consistent and complimentary information.

4 PERFORMANCE MANAGEMENT AND QUALITY

- 4.1 The Provider shall work with the Council to establish and maintain an effective and beneficial working relationship and to ensure the Agreement is delivered to the standard specified in the Agreement.
- 4.2 The Provider shall work with the Council to establish suitable administrative arrangements for the effective management and performance monitoring of the Agreement.

- 4.3 The Provider will be responsible for managing and reporting on any sub-contractual arrangements. Arrangements shall include mechanisms for the provision of management information, feedback to and from employers and Participants, change control procedures and the prompt resolution of any problems.
- 4.4 The Council will agree with the Provider day-to-day relationship management, contact points, communication flows and escalation procedures. Roles and responsibilities will be documented and the personnel involved in managing the relationship identified and suitably empowered.
- 4.5 The Provider will be expected to continuously improve the quality of the Service including that delivered via sub-contract. Where quality falls below acceptable levels the Provider will be expected to have suitable escalation procedures in place and, in respect of sub-contracted parts of the Service, take action where necessary to replace those sub-contractors or assignees whose performance is unsatisfactory.
- 4.6 The Council will regularly monitor the Provider's performance at least monthly. Every three (3) to six (6) months (or any other period to be notified as appropriate) the Council will undertake a contractual review as specified in the Monitoring Schedule detailed in Schedule C herein.
- 4.7 Results of any reviews undertaken by the Council in relation to the Service will be communicated to the Provider. The Provider will be expected to provide any additional management information required by the Council to facilitate this process and arrange where necessary access to any of their delivery locations, including those operated via sub-contract.
- 4.8 The purpose of the performance reviews is to encourage an open and regular dialogue between the parties with the purpose of ensuring that the Agreement is being delivered appropriately and to drive up performance and quality. The reviews will encourage the parties to review performance, discuss opportunities for continuous improvement and raise and address any complaints or persistent problems encountered with the Agreement. Where issues cannot be immediately addressed, the Council and the Provider will follow the Dispute Resolution Process detailed in Schedule D herein.
- 4.9 The regular meetings between the Council and the Provider shall also cover, as appropriate, resolving disputes and/or dealing with contractual breaches in accordance with the terms and conditions of the Agreement.
- 4.10 The Council shall monitor and review the performance and quality of the Provider against set standards (see below) and within the overall contract management approach as detailed above. Additionally, the Provider may be subject to external inspection by the Scottish Government and Audit Scotland. The Provider will be expected to make any additional management information available to these organisations and provide where necessary access to premises, including sub contracted locations, as appropriate.

5 ACCESS TO SUPPORTING EVIDENCE

- 5.1 In line with the guidance for the UKSPF Verification and Compliance checks, the following is essential in the Agreement between the Council and the Provider. The Council has overall responsibility to manage the Agreement and to ensure:

- (a) practical application and effectiveness of the management and control systems for the Agreement;
- (b) compliance with external funding requirements particularly UKSPF legislation and with other external funding conditions of grant;
- (c) that the performance of the Agreement is consistent with the Specification;
- (d) that the expenditure charged against the Agreement and subsequently claimed has actually been paid out;
- (e) that the expenditure charged against the Agreement and subsequently claimed is in line with the financial agreement and expenditure claimed is relevant to the Agreement;
- (f) that the expenditure charged against the Agreement and subsequently claimed is an item listed in the Payment Schedule detailed at Schedule C of the Agreement and was incurred against activity delivered during the period approved;
- (g) that the appropriate national co-financing has in fact been made available;
- (h) that there exists a full transparent audit trail which includes retention of supporting documentation;
- (i) that all receipts which may have arisen under the Agreement are also taken into account.

6 DOCUMENT RETENTION AND RECORDS MANAGEMENT

The Council is bound by the provisions of the Public Records (Scotland) Act 2011. In terms of this legislation all public records managed by the Council must be managed in accordance with the Records Management Plan (RMP) approved by the Keeper of the Records of Scotland.

The RMP and the guidance issued by the Keeper indicates that records created by the Provider are also considered as “public records” under Section 3(1) of the Public Records (Scotland) Act 2011 and must be appropriately managed during their operational lifetime.

6.1 The Provider warrants that:

6.1.1 they have the capacity to store and retain all supporting documentation and that they have efficient document retrieval systems in place until the specified retention date (or any subsequent extension to this date required under UKSPF regulations); and

6.1.2 that no supporting documentation shall be destroyed prior to the specified retention date (or any subsequent extension to this date required under UKSPF regulations)

6.2 The Provider will provide the Council with access to all supporting documentation under the Agreement throughout its period and this shall apply even in the event that the Agreement cannot be completed for whatever reason.

- 6.3 The Council is responsible for ensuring that the UKSPF project documentation retention date (to be confirmed) is complied with. Therefore the Provider will fully co-operate with the Council in providing all appropriate documentation at all specified periods and to ensure direct and immediate communication with the Council in the event of any issues relating to documentation and/or documentation retention until specified date (or any subsequent extension to this date required under UKSPF regulations). The Provider is responsible for document retention of any third party information relating to the UKSPF funded projects (e.g. information held at any external organisations).
- 6.4 In the event of dissolution of the Provider, the Provider will allow the Council access to all appropriate UKSPF project documentation. The Provider agrees that in the event of their dissolution they still have a responsibility to assist the Council in maintaining a clear audit trail to all defrayed expenditure (i.e. access to company BACS, bank statements, staffing payments invoices etc.)
- 6.5 In the event that the Provider does not allow or enable access under Condition 6.2 above the Council will withhold any further payments to the Provider and will not be liable for payment of issued invoices.

7 HEALTH & SAFETY

- 7.1 The Provider shall provide the Council with written details of their health & safety policy, health and safety procedures, accident reporting and investigation procedures, arrangements for the safe removal of dangerous substances and wastes and arrangements for governing specific requirements to demonstrate safe working practices under the Management of Health and Safety at Work Regulations 1992 and the like.
- 7.2 The Provider must further be able to demonstrate to the Council their arrangements and those of their sub-contractors under the Health and Safety (Display Screen Equipment) Regulations 1992, the Supply of Machinery (Safety) Regulations 1992, the electromagnetic Compatibility Regulations 1992 and all relevant Acts of Parliament, Regulations and UKSPF Directives and other sources of Law pertaining to health and safety and have records of same. The Provider must have at least one (1) designated health and safety officer who has responsibility for all health and safety matters.
- 7.3 The Council's standards for Security and Health & Safety must be adhered to by the Provider.
- 7.4 Health and Safety is the responsibility of the Provider and they shall take out adequate insurance to cover any possible liabilities.
- 7.5 Health and Safety checks may be conducted by relevant representatives of the Council during the Agreement.
- 7.6 Without prejudice to any statutory duty of any person to report any death, injury, case of disease or dangerous occurrence, the Provider shall inform the Council:
- 7.6.1 immediately if any Participant dies or suffers any major injury or case of disease falling within the scope of any regulations dealing with reporting of accidents at work or cases of occupational diseases, should the occurrence take place in the premises of Routes to Work or in any premises if the Participant is on a work related placement activity.

- 7.6.2 as soon as possible, but no longer than seven (7) days after the relevant accident, of any other accident resulting in a participant being absent from the programme of training for four (4) days or more resulting in any loss of physical or mental capacity (including disfigurement).
- 7.7 The Provider shall ensure that there is a current fire certificate for all and any of its premises which require one, and to provide evidence of the existence of the aforementioned certificate to the Council on request.
- 7.8 Where appropriate, it is the responsibility of the Provider to certify that any necessary and relevant level of disclosure checks have been carried out under Disclosure Scotland where clients may be working with vulnerable people, and that any / all premises are properly registered.
- 7.9 The Council's representatives visit the Provider and their sub-contractors for a variety of reasons. In the course of their normal duties the Council representatives shall adopt an 'eyes and ears' approach to monitoring health and safety. In doing this the Council representatives shall not be conducting a health and safety inspection, nor shall they be in a position to offer advice on whether something is safe or not, instead they shall approach this from the position of any lay person. If however a Council representative does notice something on which they require assurance or clarification, they shall raise this with the Provider or the Provider's sub-contractor at the location where they are visiting. At no time shall the Council representatives be seen as offering professional advice on health and safety matters and as such, shall not be liable for any advice or comments or otherwise given to the Provider or their sub-contractor or any omission to give such advice, comments or otherwise.

8 SMOKING POLICY

- 8.1 The Provider shall not allow the smoking of cigarettes on "No-Smoking Premises", within the meaning of the Smoking, Health Care and Social Work (Scotland) Act 2005. Additionally all employees must respect any rules in force from time to time issued by the Council within premises used to deliver outreach services.

9 MARKETING

- 9.1 The Provider will consult with the Council at the project conception stage, to identify level of marketing support required.
- 9.2 The Council will prepare a marketing brief based on this early discussion, outlining an appropriate way forward.
- 9.3 The Provider will liaise with the Council in the production of a marketing plan and its implementation.
- 9.4 The Council will provide ongoing marketing support and oversee the production of all promotional materials.
- 9.5 All marketing materials will acknowledge funding bodies as directed by the Council.

10 STAFF QUALIFICATIONS AND DEVELOPMENT

- 10.1 To ensure quality provision it is essential that staff training and expertise are given high priority. Therefore the following requirements must be met:

10.1.1 Staff must hold relevant qualifications and have opportunities to attend relevant courses.

10.1.2 A personal training development plan must be maintained for all staff, including a record of all courses attended;

11 CO-OPERATION WITH RESEARCH INITIATIVES

11.1 The Provider must co-operate with any research initiative authorised by the Council including the provision of information about the Agreement.

SCHEDULE B

FINANCE SCHEDULE

North Lanarkshire's Working

Eligible		Ineligible	
NLW Total	£3,468,956	Total	£179,183
Overall Total	£3,648,139		

NOLB and Working for Families

Eligible	
NOLB	£697,233
Working for Families	£946,295
Overall Total	£1,643,528

Total SLA Project costs: £5,291,667

**SCHEDULE C
MONITORING SCHEDULE**

**1. North Lanarkshire’s Working, Youth Service, Working for Families and
Additional Health & Justice April 2025 - March 2026**

Expected Outputs & Outcomes		
Outputs and Outcomes	As detailed in Schedule A at 1.1, 1.2, 1.3, and 1.4	
Employment sustained at 26 weeks	70%	
Monitoring Schedule		Date of Visits
April 2025 – March 2026		June 2025/ Sep 2025/ Dec 2025/ Mar 2026
Payment Schedule		
Payment Type	Detail	Calculation
Advance payment 25%	Paid in April or when SLA agreed - cashflow	£1,322,917
Actual Expenditure	April – June	July claim
Actual Expenditure	July – September	October claim
Actual Expenditure	October- December	January claim
Actual Expenditure	January - March	Claimed in April (less 50% of advance)

SCHEDULE D

DISPUTE RESOLUTION PROCEDURE

STAGE 1 – INFORMATION EXCHANGE

In the event of any dispute arising between the parties in connection with the Agreement the party bringing the complaint, will write to the other party setting out full details of the dispute and any proposals for resolving the dispute (the "Letter of Dispute"). The Letter of Dispute should provide all the necessary details and any supporting documentation to enable the other party to fully consider the dispute.

The party which receives the Letter of Dispute should acknowledge its receipt within seven (7) calendar days ("the Letter of Acknowledgment"). If further information as to the matters detailed in the Letter of Dispute is required so as to deal with it then full particulars of the further information required should be given by letter within seven (7) calendar days of the Letter of Acknowledgment (the "Further Information"). If further information is required, such further information should be provided within fourteen (14) calendar days from the date of the Letter of Acknowledgment. The time for responding to the Letter of Dispute does not commence until the further information has been provided or a satisfactory explanation has been received as to why it cannot be provided.

Within fourteen (14) calendar days of the Letter of Acknowledgment or within fourteen (14) calendar days from the provision of the further information the other party shall provide a full response to the Letter of Dispute (the "Letter of Response"). The Letter of Response shall, if appropriate, provide terms on which the dispute can be resolved. If the Letter of Response cannot deal with all of the issues raised within the Letter of Dispute within fourteen (14) calendar days the responding party shall provide a date within which the full response will be provided. Such full response must be given within twenty-eight (28) calendar days of the latest of the Letter of Acknowledgment or the provision of any further information. When the Letter of Response has been sent, Stage 1 is concluded. If the dispute has not been resolved by the end of Stage 1, the parties shall move to Stage 2.

STAGE 2 - MEETING

Following on from the Letter of Response either party can request that a meeting takes place between the Council (Head of Service) and the Provider. The Council and the Provider shall within seven (7) calendar days of such a written request meet in a good faith effort to resolve the dispute (the "First Meeting").

If the dispute cannot be resolved in the First Meeting the dispute shall be referred to the Managing Director of the Provider and the Head of Asset and Procurement Solutions to seek to resolve the dispute (the "Final Meeting"). If appropriate the parties can invite key personnel to this meeting. If the dispute cannot be resolved within twenty-one (21) calendar days of the Final Meeting the dispute shall be referred to a mediator in accordance with Stage 3.

STAGE 3 - MEDIATION

The parties shall seek to agree on the appointment of a mediator to act in relation to the dispute or an organisation which shall be approached to nominate a mediator. If the parties cannot agree on the appointment of a mediator the matter shall be referred to CEDR to appoint a mediator. If agreeable to the mediator, the parties shall within seven (7) calendar days of the appointment of any such mediator meet with them to agree a programme for the exchange of any relevant information, the structure to be adopted for the mediation and a date for the mediation to be held (the "Agreed Procedure"). If the mediator is not agreeable to a meeting or the parties deem it unnecessary for the mediator to be involved they will reach agreement on the agreed procedure between themselves. The parties will then act in accordance with the agreed procedure and seek to resolve the dispute through mediation. If the Parties fail to reach

agreement within twenty-eight (28) calendar days of the mediation then any dispute or difference between them may be referred to the Courts.

STAGE 4 - LITIGATION

All disputes not resolved pursuant to the procedures set out above may be referred by either party to the courts.

GENERAL

For the avoidance of doubt this shall in no way prejudice any rights or remedies of either party under the Agreement including without limitation the right of termination. However this will survive termination of the Agreement and will govern any post termination dispute. Each party shall bear their own costs in relation to any procedure adopted pursuant to this. Unless the Agreement has already been repudiated or terminated the Provider shall, notwithstanding this, continue to carry out its obligations in accordance with the Agreement.

SCHEDULE E

SERVICE VALUES AND TARGETS

1. North Lanarkshire’s Working, Youth Service, Working for Families and Additional Health & Justice April 2025 - March 2026

	Type	Or, details below regardless of benefit or length of unemployment	Outcomes
Groups	<p>Age 16 or above with barriers to entering the labour market and eligible for UKSPF support</p> <p>Within 6 months of leaving school and leaving to a negative destination without intervention</p> <p>Unemployed 16-19 year olds</p> <p>Unemployed and employed Parents on Low Incomes</p>	Unemployed and underemployed residents	1.1, 1.2, 1.3, and 1.4

North Lanarkshire Council Report

Enterprise and Fair Work Committee

Does this report require to be approved? Yes No

Ref (AG/PK) Date 02/05/25

Routes to Work Ltd – Performance & Finance Report

From Alison Gordon, Chief Social Work Officer (Education, Families, Justice & Integration)

E-mail gordonal@northlan.gov.uk **Telephone** 01698 332001

Executive Summary

Routes to Work Ltd.'s performance was previously considered by the former ALEOs and External Bodies Monitoring Sub Committee. Following changes to North Lanarkshire Council's Scheme of Administration, responsibility for oversight of service delivery by arm's length bodies now rests with the relevant service committee. The functions delivered by Routes to Work on behalf of the Council fall within the Terms of Reference of the Enterprise and Fair Work Committee and a performance report is submitted in line with the Strategic Performance Framework considered by members in November 2019. This report outlines Routes to Work Ltd.'s performance against its charitable objectives and Council priorities for Q2 to Q3 2024/25. This report also provides commentary in respect of the charity's governance arrangements to provide assurance that Council obligations are being satisfied. The financial performance of Routes to Work Ltd. for Q2 to Q3 2024/25 and overall financial standing is also included within this report.

Recommendations

It is recommended that Committee:

- (1) Acknowledge Routes to Work operational performance and finance for Q2 to Q3 2024/25, along with wider achievements during that period.

The Plan for North Lanarkshire

Priority	Improve economic opportunities and outcomes
Ambition statement	(11) Increase economic opportunities for adults by understanding, identifying, and addressing the causes of poverty and deprivation and barriers to financial inclusion
Programme of Work	Brighter Futures

1. Background

- 1.1 Routes to Work, established in 2002, is a company limited by guarantee with charitable status which is owned by North Lanarkshire Council. The organisation provides a range of free employability services to North Lanarkshire residents and specialises in

providing case worker support to unemployed residents as well as support with accessing vocational training and the short-term costs associated with moving from benefits to employment, such as childcare and travel. They also provide in-work support for up to 6 months for those participants that require it.

- 1.2 In 2017 the company amended its Memorandum and Articles of Association to extend its area of operation into other local authority areas thereby enabling Routes to Work to bid to deliver national employability programmes in these areas. This is intended to support the long-term sustainability of the company. While joint delivery of the Council's Shared Prosperity Fund programme has been and is currently the major source of income for Routes to Work, in the past the organisation has delivered a wide range of other programmes on behalf of the Council or in conjunction with the Council's Employability team.
- 1.3 Routes to Work's Board of Directors currently consists of up to twelve members – two are Category A members appointed by North Lanarkshire Council (one an elected member, and one a senior Council officer) and up to ten Category B directors, who bring specialist expertise to the company and are selected through a formal nominations' procedure. The Board currently has independent directors with interests and/or experience in local community development and engagement, lifelong learning and skills, business development and support, HR and Law. The Board of Directors has responsibility for ensuring that Routes to Work's services are delivered in accordance with approved Service Level Agreements and charitable objectives and meets quarterly to fulfil these duties. Council funded activities delivered by Routes to Work are also aligned to The Plan for North Lanarkshire and Council Programme of Work areas.
- 1.4 Routes to Work has been comprehensively reviewed in 2019 and 2024 with the latest review being reported to the Policy and Strategy Committee on 13 March 2025 where it was agreed that no change to the external delivery arrangements are needed and that the organisation's work remains aligned and integrated with that of the Council. However, the review did identify some opportunities and areas for future development and, in response to this, the organisation has been asked to prepare a detailed action plan by 30 June 2025. In addition to contractual performance monitoring by this committee, the Audit and Scrutiny Panel is responsible for ensuring the effectiveness of each entity's governance arrangements, including financial governance. The Policy and Strategy Committee retains responsibility for considering the outputs from reviews by the council into its arm's length delivery arrangements, including recommendations in relation to Best Value and potential future delivery options.

2. Report

2.1 Operational Performance Q2 & Q3 2024/25

The operational performance overview for employability initiatives delivered by Routes to Work in the reporting period are attached at Appendix 1. The following points are service delivery highlights which are not included within the performance measures.

2.2 NHS Health Visitor Pilot

In partnership with NHS Lanarkshire, Routes to Work launched a pilot programme with Health Visitors in the Wishaw Locality during the period with a view to increasing

support to families with young children as part of the Working for Families programme which aims to reduce child poverty through increasing income from employment. This new partnership is providing health visitors with the information and contacts they need to confidently support families with appropriate and timely advice to develop and enhance employment prospects through Routes to Work support. The programme will be evaluated in autumn 2025 and reviewed.

2.3 **Working for Families**

There is an existing partnership between the Council's recruitment team and Routes to Work Ltd which has ensured that Council job opportunities are highlighted to their clients. The focus of this work has recently been on supporting parents into opportunities within NLC and the employability team's Working for Families Manager has brokered opportunities with the Facilities Support Services team that has provided seven jobs for parents in the reporting period. Routes to Work provided a package of support for local parents to increase their application and interview skills and delivered role specific qualifications to parents who were successful to aid their transition into their new roles. This positive arrangement has resulted in a pipeline being established for Routes to Work clients and Facilities Support Services recruitment with 58 clients due to be presented for Council employment in the coming months.

2.4 **IIP Platinum**

The organisation achieved Investors in People Platinum accreditation In December 2024, a level achieved by only four other Scottish charities. This accreditation places Routes to Work in the top 0.5% globally and marks Routes to Work's ongoing commitment to put its employees at the heart of the organisation and reflects the importance of their staff to delivering the best service possible in our communities.

2.5 **ERSA Awards**

Routes to Work were finalists in two categories in the UK-Wide Employer Related Services Association Awards which took place in December 2024 in London. Routes to Work won the 'Driving Compliance, Quality and Performance' Award for their '*Routes to Change*' initiative, which is a tool they developed to ensure clients receive the support they need as quickly as possible to progress towards a job and is resulting in an 18% increase in the likelihood of getting a job and sustaining employment if used. They were also commended, as a finalist, for the partnership of North Lanarkshire Council, NHS Lanarkshire and Routes to Work in delivering the NHS Demonstrator Programme. This pioneering programme was shortlisted in the Partnership and Collaboration category and reflects the work being delivered through North Lanarkshire Council and Routes to Work being recognised for its innovation and impact in a national forum.

2.6 **Knowledge Transfer Partnership**

Routes to Work are partners in a Knowledge Transfer Partnership with the University of West of Scotland (UWS) which will result in the production of Full Social Value Evaluation Report on their work within our communities. The report was submitted for assurance in October 2024 to Social Value UK and the outcome is expected soon.

Financial Performance Q2 to Q3 2024/25

2.7 Public Accountability Obligations

To satisfy the Council's duty to ensure the organisation delivering employment and training services on its behalf is financially sound, the Council's Section 95 Officer maintains appropriate and proportionate processes and procedures for scrutinising Routes to Work's financial performance.

2.8 The Council's Legal Agreements with Routes to Work specify the financial information which must be submitted to the Council including an annual business plan, quarterly management accounts, audited financial statements etc. to enable Finance to assess and report any financial risk likely to arise as a result of the Council using Routes to Work to deliver these services.

2.9 The Council expends revenue resources annually with Routes to Work to deliver services which assist the Council in achieving its priority outcomes therefore has a duty to ensure this money is being properly used to deliver both the Council's and Routes to Work objectives.

Forecast Financial Performance to 31 March 2025

2.10 For financial year 2024/25, income approved from the Council is £5.019m which represents 98.16% of the organisations total budgeted income of £5.113m. The balance of budgeted income, totalling £0.094m, is primarily generated from other local authorities, trusts and the management fee from NLC. The approved budget results in an operational surplus of £0.072m.

2.11 The projected outturn to 31 March 2024 is projected to be £4.995m resulting in an operational surplus of £0.092m due to minor adverse movements across all NLC funded programmes offset by receipt of additional income from West Dunbartonshire Council, West Lothian Development and Clack Economic Regeneration Trust. A detailed comparison of projected outturn to the 2024/25 Budget is provided in Appendix 2.

Balance Sheet at 31 December 2024

2.12 Key balances are set out in Appendix 3 to provide members with an update on the overall financial standing of the company, as at 31 December 2024, along with the comparator figures as at 31 March 2024. Council representatives are asked to note:

- The company has net assets of £2.766m which includes pension fund assets. The position, excluding pension fund assets, is £1.013m which is a favourable movement of £0.082m from 31 March 2024. This is predominantly due to timing of receipt of funding and prepayments offset by Trade Debtors. Members can therefore continue to have assurance in the company's resources.

Projected Cash flow to March 2025

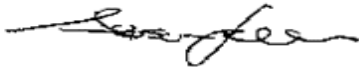
- 2.13 Appendix 4 provides the projected cashflow to 31 March 2025. The cashflow is predominately impacted by the timing of receipt of income and payments in relation to UKSPF funded projects, resulting in a minimum balance of £0.405m in March 2025.
-

3. Measures of success

- 3.1 Routes to Work Ltd. continue to provide an effective employability service on behalf of the Council to support unemployed and underemployed residents of North Lanarkshire.
-

4. Supporting documentation

- 4.1 Appendix 1 Routes to Work –Q2 & Q3 2024/25 Operational Performance
- 4.2 Appendices 2 - 4 Routes to Work –Q2 & Q3 2024/25 Financial Performance



Alison Gordon
Chief Social Work Officer (Education, Families, Justice & Integration)

5. Impacts (<http://connect/report-template-guidance>)

5.1 Public Sector Equality Duty and Fairer Scotland Duty
Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? The financial performance of Routes to Work is closely monitored by the council's Section 95 Officer and the financial performance as detailed above, along with other key financial information presented in the report.
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>
5.6 Technology / Digital impact

Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?

Yes No

If Yes, please provide a brief summary of the impact?

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes No

5.7 Environmental / Carbon impact

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes No

If Yes, please provide a brief summary of the impact?

5.8 Communications impact

Does the report contain any information that has an impact on the council's communications activities?

Yes No

If Yes, please provide a brief summary of the impact?

5.9 Risk impact

Is there a risk impact?

Yes No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

Routes to Work maintain a detailed risk register which is presented to each Board meeting. In terms of the Council, the risk of Routes to Work and the wider employability programmes being deemed non-compliant with external funders is present.

5.10 Armed Forces Covenant Duty

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

Within all Council employability programmes veterans are immediately eligible for support alongside other priority groups.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes

No

Routes to Work – Q2 & Q3 2024/25 Operational Performance

Employability Programme	Indicator	Target Outcome/Purpose	2024/25 Q2 & Q3 Target	2024/25 Q2 & Q3 Actual	Blue Red Amber Green	Comments
No one Left Behind (NOLB)	Number of starts	Engaged on programme	129	198	B	Funding from the Scottish Government to protect young people aged 16 -19 years from the economic impact of COVID -19 by offering them the opportunity of a job, apprenticeship, further or higher education, training programme or volunteering. Targeting particularly excluded groups of 16-19 yr olds. This programme also supports the Education and Families Pathways Programme from October 2022.
	Entered FE/HE/Training	Moved into full time education or training programme	11	28	B	
	Number of qualifications	Accredited Qualifications	62	93	B	
	Number of Job Entries	Job Entries secured	85	86	G	
	26-week sustainment	Jobs sustained at 26 weeks	70%	77%	B	
Parental Employment Support Fund	Number of starts	Engaged on programme	68	234	B	Funding from the Scottish Government to support employed and underemployed parents who may be at risk of poverty.
	Number of qualifications	Accredited Qualifications	102	59	R	
	Number of Job Entries	Job Entries secured	99	109	B	
	26-week sustainment	Jobs sustained at 26 weeks	70%	77%	B	
UK Shared Prosperity Fund 31	Registration	Engaged on programme	87	62	R	Funding from the UK Government to deliver a place-based intervention engaging with economically inactive residents and economically inactive parents from agreed geographically areas to improve their life chances and increase their pre-employability
	Increased Employability	Increased employability through development of interpersonal skills	67	19	R	

	Basic Skills	Improved basic skills	55	12	R	skills. The aim is to support project proposals that align with long-term strategic plans for local growth, target people most in need and support community renewal.
	Supported Employment	Receiving transitional support to sustain in employment	28	24	R	
	Sustained Engagement	Engaging with Case Worker for 6 months	28	34	B	
	Job Searching	Engaged in job searching activities	42	33	R	
	Job Entries	Job entries secured	28	21	R	
	26-week sustainment	Jobs sustained at 26 weeks	70%	78%	B	
UK Shared Prosperity Fund 35	Number of starts	Registrations	819	650	R	Funding from the UK Government to deliver an all-age employability programme supporting economically inactive and unemployed North Lanarkshire residents to progress closer to and into sustainable employment, as well providing the opportunity for low-income in-work residents to upskill through training.
	Entered FE/HE/Training	Moved into full time education or training programme	71	160	B	
	Number of qualifications	Accredited Qualifications	199	204	G	
	Number of Job Entries	Jobs	460	413	R	
	26-week sustainment	Jobs sustained at 26 weeks	70%	75%	B	

Key: -

B - Blue (above threshold) $\geq 5\%$ of target

G - Green (within threshold and on target) = to or + 5% of target

A - Amber (within threshold but below target)

R - Red (below threshold) $\leq 5\%$ of target

Routes to Work Limited

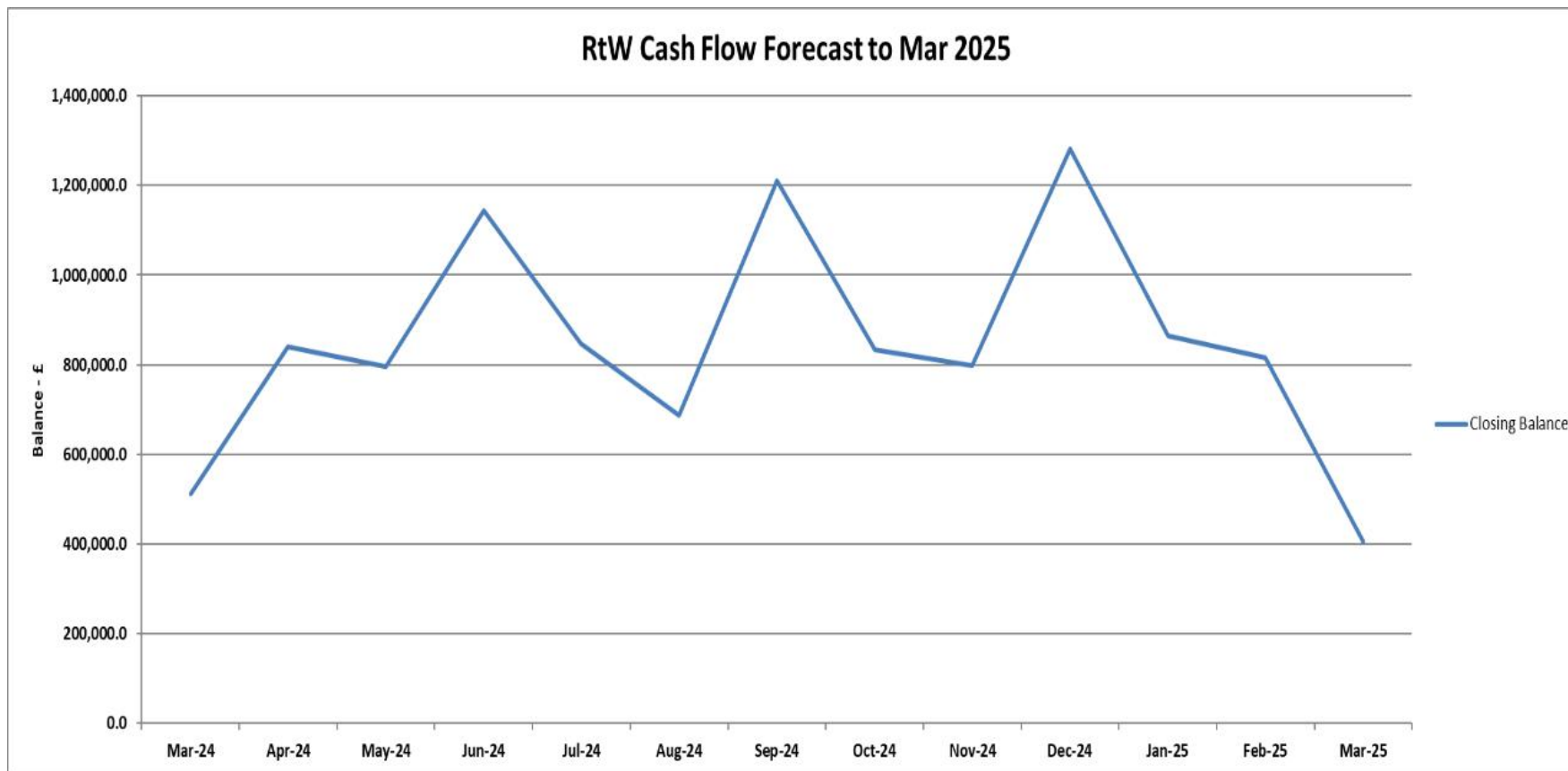
Projected Outturn to 31 December 2024

Income & expenditure	2024/25	2024/25 Year to date			2024/25	2024/25	Commentary Variance Budget vrs Projected Outturn
	Budget	Budget	Actual	Variance	Projected Outturn to 31 March 2025	Variance Budget vrs Projected Outturn	
	£'000	£'000	£'000	£'000	£'000	£'000	
Income from NLC							
No one left behind	627	470	422	(48)	588	(39)	
Prospects for Parents	725	522	453	(69)	669	(56)	
S31 - UKSPF Employment Support	572	433	340	(93)	535	(37)	
S35 - UKSPF Employability & Skills Support	2,688	2,026	1,865	(161)	2,630	(58)	
Programme information Reporting	44	33	32	(1)	43	(1)	
Allocations - move to NLC	364	271	254	(17)	358	(6)	
Total Income from NLC	5,019	3,756	3,366	(390)	4,822	(197)	
Development Income	32	17	17	0	32	0	
Other Income	62	47	50	4	233	171	
Total Incoming Resources	5,113	3,819	3,433	(386)	5,088	(26)	Minor adverse movement in income across all NLC programmes offset by receipt of additional income from West Lothian Development, Clack Economic Regeneration Trust and WestDunbarton Council.
Expenditure:							
Charitable Activities	(5,042)	(3,777)	(3,458)	319	(4,995)	46	
Total Resources Expended	(5,042)	(3,777)	(3,458)	319	(4,995)	46	Increased expenditure in relation to resource costs and timing of payments.
Operational surplus / (deficit)	72	43	(24)	(67)	92	21	

Routes to Work Limited

Overall Financial Standing - Balance Sheet as at 31 December 2024

Balances/ Indicator	31-Mar-24 £'000	31-Dec-24 £'000	Variance £'000	Commentary
Fixed Assets	1	(0)	1	
Current Assets:				
Trade Debtors	764	23	741	Timing of claims and invoicing.
Prepayments	577	619	(42)	Accrued income for claims not yet invoiced.
Bank / Cash	596	1,367	(771)	Timing of funding.
	1,938	2,009	(71)	
Current Liabilities:				
Creditors inc. Advanced payments, VAT & other taxes	(1,007)	(997)	(11)	Minor.
	(1,007)	(997)	(11)	
Defined scheme pensions liabilities	1,753	1,753	0	FRS102 actuarial valuation
Net Asset / (Liabilities)	2,684	2,765	(81)	
Financed by Reserves:-				
Designated Reserves	284	239	45	Minor.
Unrestricted funds	721	851	(130)	Management action to increase balance to ensure sufficient funding available to meet contingent liability costs for the company.
Unrestricted Pension Fund	1,753	1,753	0	
Restricted Funds	(74)	(77)	2	Minor.
Total Reserves	2,683	2,766	(82)	



North Lanarkshire Council Report

Enterprise and Fair Work Committee

Does this report require to be approved? Yes No

Ref Date 02/05/25

Fusion Assets' Performance & Financial Monitoring Report

From Pamela Humphries, Chief Officer (Place)

E-mail weiry@northlan.gov.uk

Telephone

Yvonne Weir,
Tel 07508 001238

Executive Summary

This report provides details of the operational performance of Fusion Assets Ltd. (Fusion Assets) during the last six months of 2024/25 (up to 31 March 2025), outlines a range of economic outputs and outcomes being delivered through this Arms Length Organisation (ALEO) and details key highlights achieved during 2024/25.

The report also details the financial performance of Fusion Assets for 2023/24, their overall current financial standing (as at 31 December 2024) and future financial projections.

In addition, the report provides an update on the outcome of the ALEO Review reported to Policy & Strategy Committee in March 2025, and seeks approval for the allocation of funding from the new Glasgow City Region Enabling Commercial Space Programme which will be delivered through Fusion Assets Ltd.

Recommendations

It is recommended that the Enterprise and Fair Work Committee:

- (1) Acknowledges the content of this report and the operational targets set for Fusion Assets during 2024/25 and performance against these (as outlined in Appendix 1).
- (2) Acknowledges the financial performance of Fusion Assets (2023/24), their overall current financial standing and future financial projections as detailed in 2.1.4 onwards.
- (3) Endorses the key highlights achieved during 2024/25.
- (4) Acknowledges the outcome of the ALEO review reported to Policy & Strategy Committee in March 2025 including the development of an Action Plan which will be reported to a future committee.
- (5) Agrees to the allocation of funding through the Glasgow City Region Enabling Commercial Space Programme supporting projects at Ravenscraig and Westfield Point, Cumbernauld, subject to shortlist approval and the subsequent submission of Full Business Cases.

The Plan for North Lanarkshire

Priority	Improve economic opportunities and outcomes
Ambition statement	(3) Maximise the use of our marketable land and assets through improved development in business and industrial infrastructure
Programme of Work	Transforming Places

1. Background

- 1.1 Fusion Assets is a wholly owned subsidiary of the council. It focuses on delivering physical economic regeneration projects across North Lanarkshire and in particular industrial development – a market where there is currently limited speculative development. Unlike more traditional council owned property companies, Fusion Assets is more similar to an urban regeneration company whose role is focused on the redevelopment of vacant and derelict land and brownfield sites rather than commercial property management.
 - 1.2 It should be noted that Fusion Assets does not receive an on-going or recurring management fee from the council for the delivery of services but rather uses grant funding from the council's annual Vacant & Derelict Land Fund (VDLF) allocation from the Scottish Government as enabling investment for the acquisition and redevelopment of vacant and derelict land sites. In taking this forward, Fusion Assets has developed a unique and innovative development model where the value of acquired/remediated land sites, together with other loan funding and Fusion's reserves, is used as equity to set up joint venture partnerships with the private sector that will fund and manage the commercial redevelopment of sites for industrial use. Once industrial units are complete and let/partially let, unless restricted by the terms and conditions of any grant funding, this asset is sold to a private sector investor with returns used to pay off loan funding and re-invested in future regeneration projects.
 - 1.3. Fusion Assets' operational and financial performance was previously considered by the former ALEOs and External Bodies Monitoring Sub Committee. Following changes to the council's Scheme of Administration, responsibility for oversight of service delivery by arm's length bodies now rests with the relevant service committee. The functions delivered by Fusion Assets on behalf of the council fall within the Terms of Reference of the Enterprise and Fair Work Committee.
 - 1.4. In addition to performance monitoring by service committees, the Audit and Scrutiny Panel holds responsibility for ensuring the effectiveness of the administrative and financial governance of all of the council's ALEOs (including Fusion Assets) whilst the Policy and Strategy Committee retains responsibility for considering the outputs from reviews by the council into its arm's length delivery arrangements, including recommendations in relation to Best Value and potential future delivery options.
-

2. Report

2.1 Financial Update

Public Accountability Obligations – Financial year 2024/25

- 2.1.1 To satisfy the Council's duty to ensure the organisation delivering economic regeneration projects on its behalf is financially sound, the Council's Section 95 Officer maintains appropriate and proportionate processes and procedures for scrutinising Fusion Assets Limited's financial performance.
- 2.1.2 The Council's Legal Agreements with Fusion Assets Limited specify the financial information which must be submitted to the Council including an annual business plan, monthly management accounts, audited financial statements etc., to enable Finance to assess and report any financial risk likely to arise as a result of the Council using Fusion Assets Limited to deliver these services.
- 2.1.3 The Council expends VDLF resources annually with Fusion Assets Limited to deliver services which assist the Council in achieving its priority outcomes. The Council has a duty to continue to ensure this money is being properly used to deliver both the Council's and Fusion Assets Limited's key objectives.

Financial Performance 1 April 2023 to 31 March 2024

- 2.1.4 The company's audited annual accounts to 31 March 2024, as approved by the Fusion Board on 9/9/24, reports a net profit of £0.709m. This is in comparison to a net loss in 2022/23 of £0.012m. In respect of the underlying operational performance, this was a net surplus of £0.681m, which is a favourable variance of £0.910m on a net operating expenditure deficit budget of £0.229m. This was mainly due to final profit share income of £0.804m in relation to a prior year sale at Newhouse Plot A2 coupled with favourable movements in relation to development / management fees and the impact of updated land valuations. A summary is provided at Appendix 2 along with previous year comparator outturn position.

Overall Financial Standing as of 31 December 2024

- 2.1.5 Appendix 3 gives an update on the overall financial standing of the company, as of 31 December 2024, together with further information and previous year's comparator figures. The company has cumulative net current assets of £1.590m predominately as a result of investments, work in progress and cash balances, offset by deferred income and members should be assured that the company has sufficient resources to meet its commitments.

Financial Performance 1 April 2024 to 31 December 2024

- 2.1.6 The company approved a 2024/25 operating budget with a projected net operating cost of £0.180m. This results in a decrease on the utilisation of reserves of £0.049m from 2023/24 and is mainly the result of the removal of the project management budget as well as projected increased rental income. For 2024-25 the company has been successful in securing VDLF funding of £1.230m and a further £1.125m in capital funding via the Council.
- 2.1.7 Based on their financial statements to 31st December 2024, Fusion Assets Limited is currently projecting a net deficit of £0.053m, which is predominately due to increased bank interest. A summary is provided at Appendix 4 along with previous year comparator outturn position.

2.1.8 Reflecting the regeneration and project-based nature of Fusion Assets Limited, the company's project (capital) development expenditure is monitored cumulatively with spend on all projects fully tracked back to each project's inception. The summary financial position of the projects as at 31st December 2024 is outlined in table 1 below.

Table 1 – Capital development expenditure

	Budget	Actual	Projection	Variance (Budget v Projection)
	£	£	£	£
Expenditure (VDF & Non VDF)	25,202,541	24,033,005	25,432,277	(229,736)
Income (VDF & Non VDF)	(28,339,709)	(24,580,850)	(28,983,388)	643,679
Net Cost/Surplus	(3,137,168)	(547,845)	(3,551,111)	413,943

2.1.9 As outlined above, cumulative budgeted expenditure of £25.203m has been approved by Fusion Asset's board, which will be met from budgeted income of £28.340m, a combination of VDF grant, Regeneration Capital Grant funding, anticipated capital receipts and Fusion Assets own resources.

2.1.10 An overall surplus of £3.551m is currently projected, which is in line with what was previously reported in November 2024. These are estimates reflecting current valuations of land transfers and receipts from onward sales, which may fluctuate, impacting the surplus projected.

2.1.11 As of 31st December 2024, net income of £0.548m is reported, with a projected £1.399m of expenditure still to be incurred on pre-development and building works. Further receipts of £4.403m are still anticipated, mainly from the onward sale of developments and VDF funding.

2.1.12 Members are reminded the total development investment of the current portfolio is in the order of £54m, which predominantly rests with the joint venture companies and excludes some £17.5m of predevelopment works funded through VDF grants. Fusion Assets' share of total development costs will be in the order of £8 -10.5m and will consist of a mixture of land, cash contributions and recycled receipts.

Cash Flow Forecast to December 2026

2.1.13 Fusion Assets Limited requires effective cash management to support its development programme therefore the cash position is closely monitored, with the cash balance as at 31st December 2024 totalling £3.891m. The cash flow forecast to December 2026 is shown in Appendix 5. Based on estimated expenditure and receipts the forecast demonstrates there is sufficient funding available to carry out the proposed development programme. The lowest cash balance is forecast at £2.632m in October 2025, with the cash balance forecast to be £3.084m by the end of December 2026.

2.2 NLC Capital funding

2.2.1 As part of the Council's Strategic Capital Investment Programme 2024/25 to 2028/28, an allocation of £1.125m was made to support business and industrial infrastructure to be delivered by Fusion Assets Limited. This funding will support development at Link Park, Newhouse along with funding secured through the Vacant and Derelict Land Fund.

2.3 ALEO Review

2.3.1 During 2024/25 North Lanarkshire Council undertook a review of its Arm's Length Organisations (ALEOs). During the review, Fusion Assets joint venture partners at Gartcosh and Eurocentral paused their activities. Following the outcome of the ALEO Review findings being reported to the Policy and Strategy Committee in March 2025, discussions have resumed and both parties are now engaged in taking forward the development of the sites.

2.3.2 Council officers are working with Fusion Assets to progress the following key recommendations arising from the ALEO review, including development of an Action Plan by June 2025 which will be reported to a future Committee:

- continue to review the opportunities for strengthening alignment of Fusion Assets Ltd to the council's objectives, exploring innovative funding mechanisms and external funding opportunities to support the continued delivery and scalability of Fusion Assets Ltd.
- explore opportunities to expand its focus beyond the industrial sector, including potentially delivery of mid-market housing

2.4 Glasgow City Region City Deal Enabling Commercial Space Programme

2.4.1 On 5 November 2024, the Glasgow City Region Cabinet agreed that an allocation of £64.57m from the City Deal Infrastructure Fund should be allocated towards a new, regional project to enable development of commercial space across the city region to help meet the unmet need for new/ refurbished commercial space and support economic growth.

2.4.2 The main investment objectives of the overall Enabling Commercial Space Programme are:

- To address market failure in areas of Glasgow City Region where there are particular barriers in the development of new or refurbished commercial and industrial floorspace;
- To create flexible business space capable of meeting business requirements for a broad range of sectors;
- To create serviced industrial land and capable of immediate development;
- To create opportunities for employment
- Bringing sites on the Vacant & Derelict Land Register back into use;
- To attract private sector investment; and
- To create sustainable, high quality business locations to support SMEs, supply chain businesses, start-ups.

2.4.3 The 8 GCR Member Authorities were invited to submit potential projects that focussed upon the direct or indirect delivery of commercial/industrial floorspace, and within the timescales of the wider City Deal Infrastructure Fund. These projects have gone on to become the longlist of projects. The 3 long-list projects submitted by Fusion Assets Ltd to the Programme on behalf of North Lanarkshire Council are outlined in the table

below. The projects, which are all new build construction projects, were submitted on the basis that they all have planning approval in place and the sites benefit from already being platformed and services, so were considered low risk.

Project	Value	Description
Ravenscraig	£9,655,802	New Build Construction - The development consists of four buildings (with one subdivided into 5 units) totalling 62,000 sqft of industrial floorspace and would be constructed in two phases
Lanarkshire Enterprise Park, Chapelhall	£6,995,924	New Build Construction - three buildings totalling 41,000 sqft that can be subdivided into 15 smaller units.
Westfield Point, Cumbernauld	£3,641,427	New Build Construction - the development of four buildings totalling 43,000 sqft which can be subdivided into 18 smaller units.
TOTAL	£20,293,153	

- 2.4.4 Of the £64,572,500 available, each Member Authority received an allocation of grant funding. North Lanarkshire was allocated £11,287,602. As the value of the projects submitted exceeds the funding available across both at a North Lanarkshire and wider City Region level, a process to move from a longlist to a shortlist of projects has been developed and agreed by GCR using a more detailed set of project criteria, assessment of risks in relation to deliverability, and the economic benefits delivered by the individual projects.
- 2.4.5 The Board of Fusion Assets Ltd reviewed options at its meeting on 18 March 2025 and agreed that it would prioritise the delivery of the Ravenscraig project with the remaining funding being utilised to fund a reduced 21,000 sqft development at Westfield Point in Cumbernauld.
- 2.4.6 Subject to approval by Committee, the Ravenscraig and Westfield Point projects will be assessed utilising the Project Assessment Framework and put forward as North Lanarkshire’s preferred shortlisted projects. Once they have been approved by GCR, a Full Business Case will be required for each shortlisted project.
- 2.4.7 As North Lanarkshire Council will receive the funding from GCR, a grant agreement will require to be put in place with Fusion Assets Ltd for the funding.
- 2.4.8 In relation to timescales, projects delivered through the Programme must be completed by 31 December 2030. In addition, projects must be operational and be able to evidence the delivery of quantifiable economic benefits before the end of 2035.

3 Measures of Success

- 3.1 Fusion Assets Limited’s measures of success are reflected in the level of physical regeneration works which they deliver together with economic outcomes achieved from investment made. Appendix 1 provides the Operational Performance Measures, Targets and Outcomes for 2022/25 and the cumulative outcomes since 2011. A review of how to improve the measurement of economic impact from these investments will be carried out and performance measures updated for the next reporting cycle.

3.2 For 2024/25 the main targets and outcomes were achieved:

- Securing planning approval for Plot 1 (2.37 ha) at Ravenscraig which consists of four units totalling 61,000 sqft and letting a contract for the second phase of enabling works to prepare the site for development.
- Successfully letting the second (15,500 sqft) unit at Link Park, Newhouse and bringing 72 new jobs to North Lanarkshire and securing funding for the development of a third building on the remaining undeveloped plot (0.9 ha) with a construction contract now in place.
- Securing VDLF funding and letting a contract for enabling works on Plot 4 (0.6 ha) at Gartcosh Industrial Park.

3.3 In terms of 2025/26 Fusion Asset’s targets and outcomes are as follows:

- Secure funding and bring forward plans to build a second phase of development (three units totalling 68,000 sqft) at Gartcosh Industrial Park through its joint venture company – Gartcosh Estates LLP.
- Establish a new joint venture company for Condor Park, Eurocentral, secure funding for the development of a multi-let scheme totalling 40,600 sqft and begin construction works.
- Secure City Deal funding to take forward the development of Plot 1 at Ravenscraig and begin construction of the first phase consisting of two industrial units of circa 30,000 sqft.
- Submit a detailed planning application for Phase 4 at Gartcosh Industrial Park which consists of a stand-alone 40,000 sqft manufacturing and distribution unit.
- Completing the construction of Building 3 (19,300 sqft) at Link Park, Newhouse and letting the unit.
- Complete Action Plan in response to recommendations in the ALEO review reported to Policy & Strategy Committee in March 2025.



4. Supporting documentation

4.1 The following appendices support this report:

Appendix 1	Performance Indicators & Outcomes
Appendix 2	Fusion Assets Ltd - Financial Performance at 31 st March 2024
Appendix 3	Fusion Assets Ltd - Overall Financial Standing at 31 st December 2024
Appendix 4	Fusion Assets Ltd - Financial Performance at 31 st December 2024
Appendix 5	Fusion Assets Ltd - Cashflow Forecast at 31 st December 2024



**Pamela Humphries
Chief Officer (Place)**

5. Impacts

<p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>The financial performance of Fusion Assets Limited is closely monitored by the council's Section 95 Officer and the financial performance as detailed above, along with other key financial information presented in the report.</p> <p>Fusion Assets does not receive an on-going or recurring management fee from the council for the delivery of services but rather uses grant funding from the council's Vacant & Derelict Land Fund (VDLF) allocation as enabling investment for the acquisition and redevelopment of vacant and derelict land sites.</p> <p>As part of the Council's Strategic Capital Investment Programme 2024/25 to 2028/28, an allocation of £1.125m was also secured to support business and industrial infrastructure to be delivered by Fusion Assets Limited.</p> <p>An allocation of £11,287,602 has also been secured from the Glasgow City Region City Deal Programme for the Enabling Commercial Space Programme, subject to Full Business case approval.</p>
<p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>

A grant agreement will require to be put in place between North Lanarkshire Council and Fusion Assets Ltd for the GCR Enabling Commercial Space Programme.

5.5 Data protection impact

Does the report / project / practice contain or involve the processing of personal data?

Yes No

If Yes, is the processing of this personal data likely to result in a high risk to the data subject?

Yes No

If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk

Yes No

5.6 Technology / Digital impact

Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?

Yes No

If Yes, please provide a brief summary of the impact?

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes No

5.7 Environmental / Carbon impact

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes No

If Yes, please provide a brief summary of the impact?

5.8 Communications impact

Does the report contain any information that has an impact on the council's communications activities?

Yes No

If Yes, please provide a brief summary of the impact?

5.9 Risk impact

Is there a risk impact?

Yes No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

Individual Project Risk Registers will require to be submitted to GCR as part of the Full Business Case for the Enabling Commercial Space Programme.

5.10 Armed Forces Covenant Duty

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes No

Fusion Assets Ltd - 2024/25 Operational Performance Measures, Targets and Outcomes

Area of Activity	Performance Indicator	2024/25 Target Outcome	Outcome Achieved	Comments	Cumulative Total (Since 2011)
Improve economic opportunities and outcomes					
Support development of strategic investment sites, Enterprise Areas and Industrial arks	Number of infrastructure works to support strategic industrial sites	3	3	<ul style="list-style-type: none"> Works contract let for Phase 2 enabling works at Ravenscraig in January 2025 Construction contract including external works for Building 3 at Link Park, Newhouse Industrial Estate let in March 2025. Enabling works contract for Plot 4, Gartcosh Industrial estate let in February 2025. 	16

Area of Activity	Performance Indicator	2024/25 Businesses Accommodated by site as at 31st March 2025				Comments	Cumulative Total (Since 2011)		
Support businesses in expansion and development	Number of new gross businesses re-located	T A R G E T	Dundyvan Enterprise Park	N/A	A C T U A L	Dundyvan Enterprise Park	N/A	Dundyvan was sold in 2018 and Western Campus in October 2019. Businesses accommodated at these sites have not been counted from after the date of sale.	13
			Western Campus	N/A		Western Campus	N/A		12
			Drumpellier	N/A		Drumpellier	N/A	4	
			Link Park	1		Link Park	1	The 47,500sqft building for Co-Op on Plot A2 is now sublet. Building 1 on Plot A1 is fully let. Building 2 on Plot A1 is now let.	5
			Gartcosh (Phase 1)	N/A		Gartcosh (Phase 1)	N/A		Gartcosh – all three units in Phase 1 are now let and the investment sold in April 2024.

Total Number of businesses accommodated when properties under ownership of Fusion Assets/Fusion Assets JV.					37			
Area of Activity	Performance Indicator	2024/25 Number of Gross Jobs Created by Site as at 31 st March 2025				Comments	Cumulative Total (Since 2011)	
Enhance the number of direct, indirect and induced jobs	Number of new direct gross jobs created (FTE)	TARGETS		ACTUAL		Dundyvan sold in 2018 and Western Campus in 2019. Jobs created since date of sale have not been included. Drumpellier fully let prior to 1 st April 2023, no change since then. Co-Op still to take occupation of A2 building and now sublet unit to Scottish Power. Building 2 on Plot A1 let and occupied. Phase 1 now sold by Gartcosh Estates LLP.	119	
		Dundyvan Enterprise Park	N/A	Dundyvan Enterprise Park	N/A			166
		Western Campus	N/A	Western Campus	N/A			53
		Drumpellier	N/A	Drumpellier	N/A			185
		Link Park (A2)	50	Link Park	50			85
		Building 2 (A1)	20		72			
Gartcosh (phase 1)	N/A	Gartcosh (phase 1)	N/A					
Total Number of gross jobs created when properties under ownership of Fusion Assets / Joint Ventures and Plot A2 at Link Park which was built out through forward funding and development agreement.							608	

Area of Activity	Performance Indicator	2024/25 Target Outcome (ha)	Actual Outcomes as at 30 th March 2025	Comments	Cumulative Total - ha (Since 2011)
Improve the health and wellbeing of our communities					
Improve brownfield and vacant & derelict land	Total of vacant and derelict land improved (ha)	1.6	0	V&DL land improved to date is a cumulation of works at sites including Plot A1 Ravenscraig, Link Park, Newhouse Plot 3 and Gartcosh Plot 4. The 2024/25 target of 1.6 Ha relates to Condor Park, Eurocentral and is not noted as achieved as the further enabling works completed are on an area of the site already recorded as improved.	18.35

Vacant & derelict land sites removed from register	Total of vacant and derelict land taken off register (ha)	0.74	0.74	Previous land removed to date includes from Dundyvan Enterprise Park, Western Campus, Link Park (part), Drumpellier Business Park (part) and Gartcosh Phase 1 (part). The 0.74 Ha achieved in 2024/25 relates to Building 2, Link Park, Newhouse completed in Feb 2024 and removed from register.	9.88
V&DL acquired for commercial development	V&DL acquired (ha)	N/A	N/A	Ravenscraig Plot 1 acquired in 2023/24. Feasibility Studies ongoing but no further site acquisitions planned for 2024/25.	18.09

Area of Activity	External Funding Leverage by Fusion Assets (Completed Projects)					Comments	Cumulative Total (Since 2011)
Improve North Lanarkshire's Resource Base							
Leverage on Council Investment	Project	Dundyvan	Western Campus	Gartcosh Phase 1	Drumpellier	Link Park – has been excluded until full development completed / financed Gartcosh Phase 1: Excludes VDLF investment made in Phase 2, 3 and 4 as this not currently financed.	Total
	Total Project Spend	£2,985,993	£4,209,915	£5,541,621	£1,646,596		£14,384,125
	VDLF	£162,917	£748,564	£976,000	£300,000		£2,187,481
	NLC	N/A	£99,351	N/A	N/A		£99,351
	RCGF	N/A	N/A	N/A	£1,116,591		£1,116,591
	Private Sector	£387,750	£631,000	£857,000	£115,000		£1,990,750
	Fusion	£530,326	£631,000	£524,000	£115,000		£1,800,326
	Loan Finance	£1,905,000	£2,100,000	£3,184,621	N/A		£7,189,621
	Ratio of Leverage achieved from NLC investment (inc. VDLF Funding)	18:1	5:1	6:1	5:1		6:1

Fusion Assets Limited

Financial Performance as at 31st March 2024

Income & expenditure	2023/24			2022/23 Final Outturn £	Commentary
	Budget £	Final Outturn £	Variance £		
Rental Income	150,865	159,347	8,482	116,420	Over-recovery in income at Newhouse Building due to lease agreements (rent free periods)
Bank Interest	1,000	19,084	18,084	7,807	Increase in interest due to market impacts
Investments	0	0	0	0	
Misc	0	803,991	803,991	1,565	Final Profit share in relation to a prior year sale
Total Income	151,865	982,421	830,557	125,792	
Expenditure:					
Staff costs	(188,950)	(197,452)	(8,502)	(183,419)	
Board Costs	(15,000)	(15,041)	(41)	(15,000)	
Premise Costs	(9,420)	(10,046)	(626)	(8,474)	
Operating Costs	(153,500)	(72,363)	81,137	(68,436)	Decreased expenditure in development and land management fees
Running Costs	(14,000)	(6,874)	7,126	(6,334)	Decrease expenditure in Insurance (due to increase in letting) and in Expenses
Total Expenditure	(380,870)	(301,776)	79,094	(281,664)	
Net Surplus/Deficit	(229,005)	680,645	909,651	(155,871)	
Accounting adjustments:					
Release of deferred grant income	0	2,185,902	2,185,902	1,638,735	
Unrealised gain/(loss) on investment property	0	206,735	206,735	193,175	
Impairment	0	(2,185,902)	(2,185,902)	(1,638,735)	
Tax provision	0	(178,023)	(178,023)	(49,575)	
Increase / (Utilisation) of Reserves	(229,005)	709,357	938,362	(12,271)	

Fusion Assets

Overall Financial Standing - Balance Sheet as at 31 December 2024

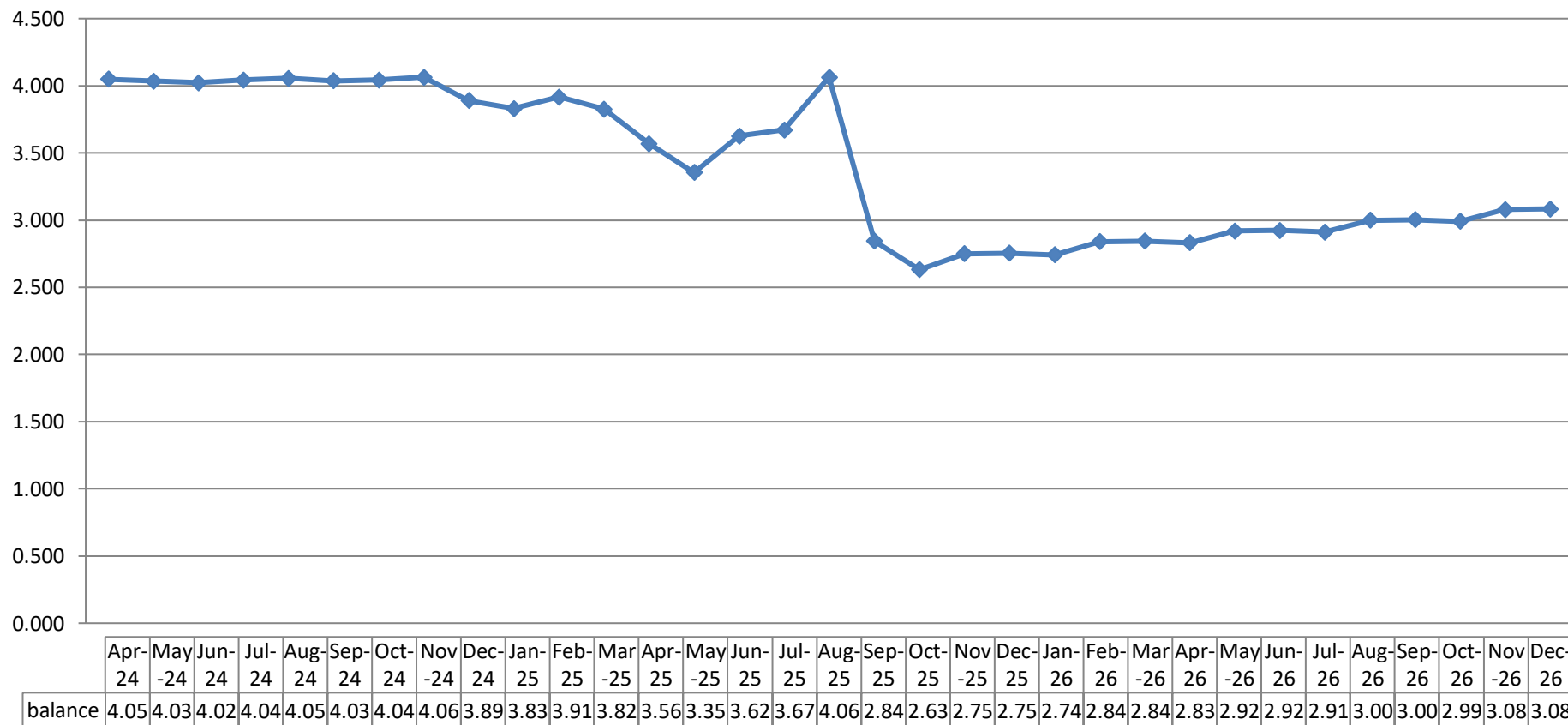
Balances/ Indicator	as at 31 December 2024 £'000	as at 31 March 2024 £'000	Movement £'000	Commentary
Fixed Assets:				
Investments	1,040	1,040	0	Gartcosh Estates LLP
Investment Property	4,320	4,320	0	Newhouse
	5,360	5,360	0	
Current Assets:				
Stocks	3,969	3,685	283	Work in progress
Trade Debtors	369	621	(252)	Debtors, VAT recoverable, deferred taxation, accrued income, prepayments
Bank	1,902	2,236	(334)	
Short-Term Investments	0	0	0	
	6,240	6,543	(302)	
Current Liabilities:				
Other Creditors inc. VAT & other taxes	(4,650)	(4,670)	20	Deferred income (VDLF), accruals, tax
	(4,650)	(4,670)	20	
Net current Assets/(liabilities)	1,590	1,873	(283)	
Creditors: Amounts falling due over 1 year	(2,314)	(2,314)	0	Deferred income (Boots)
Net Asset / (Liabilities)	4,636	4,918	(283)	

Fusion Assets Limited

Financial Performance as at 31st December 2024

Income & expenditure	2024/25			2023/24	Commentary
	Annual Budget £	Projected Outturn £	Variance £	Final Outturn £	
Rental Income	177,759	177,759	0	159,347	
Bank Interest	3,000	100,000	97,000	19,084	Increase in interest due to investment choice
Investments	0	0	0	0	
Misc	0	0	0	803,991	
Total Income	180,759	277,759	97,000	982,421	
Expenditure:					
Staff costs	(200,850)	(200,850)	0	(197,452)	
Board Costs	(15,000)	(15,000)	0	(15,041)	
Premises Costs	(9,688)	(9,688)	0	(10,046)	
Operating Costs	(120,500)	(88,500)	32,000	(72,363)	Reduced professional & development fees due to investment choice
Running Costs	(14,300)	(17,010)	(2,710)	(6,874)	
	0	0	0	0	
Total Expenditure	(360,338)	(331,048)	29,290	(301,776)	
Net Surplus/Deficit	(179,579)	(53,288)	126,290	680,645	
Accounting adjustments:					
Release of deferred grant income	0	0	0	2,185,902	
Unrealised gain/(loss) on investment property	0	0	0	206,735	
Impairment	0	0	0	(2,185,902)	
Tax provision	0	0	0	(178,023)	
Increase / (Utilisation) of Reserves	(179,579)	(53,288)	126,290	709,357	

Forecast Cash Balances to 31st December 2026



North Lanarkshire Council Report

Enterprise and Fair Work Committee

Does this report require to be approved? Yes No

Ref JMcK/CPT

Date 02/05/25

Contracts awarded below Committee approval threshold

From James McKinstry, Chief Officer (Assets and Procurement)

E-mail McKinstryJ@northlan.gov.uk **Telephone** 07939 281102

Executive Summary

In accordance with the Council's [General Contract Standing Orders \("GCSOs"\)](#), GCSO 21.10 requires a summary report be presented to members with details of contracts awarded since last committee, specifically for the spend range:

- over £50,000 but below £500,000 for supplies or services; and,
- over £500,000 but below £2,000,000 for works.

Recommendations

It is recommended that the Enterprise and Fair Work Committee:

- (1) Acknowledge the contract awards made since last committee reporting cycle.

The Plan for North Lanarkshire

Priority All priorities

Ambition statement All ambition statements

Programme of Work Statutory / corporate / service requirement

1. Background

- 1.1 The Local Government (Scotland) Act 1973 section 81 requires local authorities to “...make standing orders with respect to the making by them or on their behalf of contracts for the supply of goods or materials or for the execution of works.”.
- 1.2 The Council's [General Contract Standing Orders \(“GCSOs”\)](#) set out the council's specific procurement procedures and responsibilities at all spend levels, and include the reporting requirements of procurement activity, including contracts awards, to committee for either approval or acknowledgement.
-

2. Report

- 2.1 In accordance with GCSO 21.10, this report summarises the contract awards since last committee, specifically for the spend range:
- over £50,000 but below £500,000 for supplies or services; and,
 - over £500,000 but below £2,000,000 for works.
- 2.2 If you require further information regards the contract awards reported, please refer to the lead service area / Chief Officer detailed in the appendix.
-

3. Measures of success

- 3.1 All requirements contracted contribute to either the council's programme of work and/or fulfil a statutory requirement.
- 3.2 All contract awards secure best value for the council in accordance with their evaluation criteria.
- 3.3 All necessary diligence has been undertaken in the evaluation and appointment of contractors.
- 3.4 All contract awards are logged in the council's contract register.
-

4. Supporting documentation

- 4.1 Appendix 1 Summary of contracts awarded.



James McKinstry
Chief Officer (Assets and Procurement)

5. Impacts

- 5.1 Impacts considered as part of the contract award procedures are recorded in the individual contract award reports held by the lead service area.

Summary of Contracts Awarded

Appendix 1

Contract	Ref	NLC-SLP-24-088				
	Title	Ravenscraig Access Infrastructure South - Value Engineering Review				
	Classification	Services - Standard				
	Lead Service Area / Chief Officer	Pamela Humphries, Chief Officer (Place)				
Competition	Governance by Value	The Framework terms & conditions, with adherence to the council's GCSO 13 on 3rd party frameworks				
	Procurement Route	Call-off following Direct Award using Third Party Framework				
	No. of Framework Contractors	14				
	Award Criteria	Best Value assessment, in accordance with the Framework Information				
	Comments	This has been procured via Direct Award approach, considering the relevant information on Framework Contractors technical and commercial proposals available through the Scotland Excel Framework Agreement for Engineering and Technical Consultancy Services (0820).				
Award Details	Value	£157,942				
	Contract Duration	5 months				
	Contractor Name	AtkinsRealis UK Limited				
	Contractor Size	Large				
	Contractor Location	Glasgow				
	Status - Payment of Living Wage?	Yes				
	Status - Living Wage Accredited?	Yes				
Impacts <i>this section highlights which impacts were considered for this contract award procedure</i>	Public Sector Equality Duty and Fairer Scotland Duty <input checked="" type="checkbox"/>	HR Policy Impact <input type="checkbox"/>	Data Protection Impact <input type="checkbox"/>	Environment / Carbon Impact <input checked="" type="checkbox"/>	Risk Impact <input checked="" type="checkbox"/>	Children's Rights and Wellbeing Impact <input type="checkbox"/>
	Financial Impact <input checked="" type="checkbox"/>	Legal Impact <input type="checkbox"/>	Technology / Digital Impact <input checked="" type="checkbox"/>	Communications Impact <input type="checkbox"/>	Armed Forces Covenant Duty <input type="checkbox"/>	
	Further details regarding these impacts can be obtained from the Lead Service Area / Chief Officer					