

MEETING OF CLYDE GATEWAY URC

Minute of Board Meeting of 25 June 2019

Present: Lord Smith of Kelvin, Chair
Ian Manson, Chief Executive
Councillor Mandy Morgan, Glasgow City Council
Councillor Carol Nugent, South Lanarkshire Council
Allan McQuade, Scottish Enterprise
Robert McLeary, South Lanarkshire Community Representative

Apologies: Councillor Greg Hepburn, Glasgow City Council
Councillor John Anderson, South Lanarkshire Council
Jim Watson, Scottish Enterprise
Stuart Patrick, Glasgow Business Representative
Anne Clyde, South Lanarkshire Business Representative
Rosie Robertson, Glasgow Community Representative

In attendance: Pauline Elliott, South Lanarkshire Council
Patrick Flynn, DRS, Glasgow City Council
Alison Brown, Clyde Gateway
Jim Clark, Clyde Gateway
Lesley-Ann Logan, Clyde Gateway
Barry Macintyre, Clyde Gateway
Martin McKay, Clyde Gateway
Angela Rowley, Clyde Gateway
Donna Brand (Minutes)

1. Welcome, introductions, apologies and any declarations of interest

Lord Smith welcomed everyone to the meeting of the Clyde Gateway URC Board.

Apologies were noted from Councillor Greg Hepburn, Councillor John Anderson, Jim Watson, Stuart Patrick, Anne Clyde and Rosie Robertson.

There were no declarations of interest.

2. Minutes of previous meeting and matters arising

The Minutes of the previous Board meeting of Clyde Gateway URC held on 8 May 2019 were submitted and approved. There were no matters arising.

3. Chairman's Report

Lord Smith:

- (1) thanked Councillors John Anderson and Greg Hepburn for their assistance in chairing the last two Board meetings in his absence;
- (2) remarked on the vital work being undertaken by the Clyde Gateway Population Health Working Group, as communicated by Sir Harry Burns at the Board meeting in March;
- (3) congratulated staff for their efforts and hard work at the end of the financial year, particularly in terms of the accounts and getting key contracts signed, and advised of his delight at breaking the ground for the construction of the new office pavilions directly after the meeting;

- (4) advised of his satisfaction that the Board was continuing its support for the extensive Business, Employability and Community Programme over the next 12 months, and that the social and economic spin-offs of the programme were vital, essential and invaluable;
- (5) advised of his interest that a large delegation from South Australia had been keen to visit Clyde Gateway and that it would be fascinating to see how they incorporate the best of Clyde Gateway's practices from the legacy of staging the 2014 Commonwealth Games should they go forward with a future bid on behalf of the city of Adelaide; and
- (6) congratulated Stuart Patrick on being awarded the CBE in the Queen's Birthday Honours earlier this month, and that this award was hugely deserved in recognition of the many years of work and service Stuart had given to business and commerce in Glasgow, and of his services to Clyde Gateway over the past decade.

4. Chief Executive's Report

Ian Manson provided the following update:

- (1) Aileen Campbell MSP, Cabinet Secretary for Communities and Local Government, had visited the Clyde Gateway area on 7 June, and he urged everyone to read her comments on her visit, which made reference to the good work done by Clyde Gateway and was communicated to a conference of international delegates since her visit;
- (2) Jamie Hepburn MSP, Minister for Business, Fair Work and Skills, had attended the most recent 'Gateway to Engineering' graduation ceremony, at which the achievements of 11 young people from secondary schools had been acknowledged and celebrated;
- (3) the successful bids to the Green Infrastructure Fund and the changes to the Clyde Gateway bus service would be discussed later in the agenda;
- (4) important dialogue had taken place in recent weeks with partners, including Glasgow City Council (regarding the implementation of an estates strategy to relocate city centre offices into regeneration areas and Clyde Gateway's potential role in establishing the model and constructing the first office for 800 staff beside Dalmarnock Station), South Lanarkshire Council (on its Capital Programme and the next tranche of support covering up to March 2023) and Scottish Enterprise (on support for constructing the next Magenta office);
- (5) the latest update on the position of the proposed new office for the STUC, with the funding gap of approximately £500,000 being discussed at the CGDL Board earlier and raised with the Scottish Government;
- (6) recognition of the success of the funding model whereby core support was translated into a much larger ongoing capital programme and, in turn, leveraging other investment now reaching close to half a billion pounds, as noted in the KPI report which would appear later in the agenda;
- (7) Lorraine MacDonald, owner of Speirs Gumley, had given an interview to the Scotsman on the business benefits secured from locating her company in Red Tree Magenta; and
- (8) that he was waiting for detailed discussions with the Scottish Government to commence in respect of the £50m Shawfield decontamination submission.

5. Business

For approval:

5.1 Integrated Energy Strategy – Community Energy Project: Scottish Power Energy Networks Grant Award (CG19(JUN)01)

Martin McKay presented a report seeking approval to accept a grant award of £2.1m from Scottish Power Energy Networks' Green Economy Fund which would be applied towards the £5.7m cost of a combined heat and power scheme in Dalmarnock.

Martin outlined the project and the capital expenditure for both elements of the project as detailed in Table 1 of the report.

After consideration, the Board:

- (1) approved acceptance of a £2.1m grant award from Scottish Power Energy Networks (SPEN) through its Green Economy Fund which would be applied against the capital costs of delivering a low carbon community energy project in Dalmarnock; and
- (2) noted this project's business case covering the system installation, its operating model and risks would be brought for an investment decision and approval in September.

5.2 Green Infrastructure Fund – Grant Awards (CT19(JUN)02)

Alison Brown referred to the decision made by this Board and the Clyde Gateway Developments Limited (CGDL) Board at their meeting in December 2018 (CG18(DEC)03) to approve the decision to submit the projects at Cuningar Loop Phase 2 and Toryglen Park to the Green Infrastructure Fund, and presented a report advising the Board of two successful bids to the Green Infrastructure Fund (GIF) totalling £2.8m and sought approval to accept said bids pending completion of the investment case for each project later this calendar year.

After consideration, the Board:

- (1) approved acceptance of two grant awards from the GIF, which is administered by Scottish Natural Heritage (SNH) on behalf of the Scottish Government, for two separate projects – Cuningar Loop Woodland Park Phase 2 (£1,566,294) and Toryglen Park (£1,230,307); and
- (2) noted that the overall outcome of these projects' funding packages, together with their investment case to proceed, would be brought for Board approval in September.

5.3 South Dalmarnock Integrated Urban Infrastructure Framework – Central Dalmarnock – Updated Masterplan (CG19(JUN)03)

Alison Brown presented a report providing the Board with an update of the South Dalmarnock Integrated Urban Infrastructure Framework (SDIUIF) and sought strategic approval for the 2019 revised version which would support emerging developments, planning applications and the ongoing acquisition programme including promotion of a compulsory purchase order (CPO).

Following on from the original Framework which was approved by the CGDL Board in August 2011 (CGDL11(AUG)03) and a refreshed Framework approved by the CGDL Board in August 2017 (CGDL17(AUG)03), Alison advised it had been identified that a further refresh of the Framework was required in order to support market interest and to reflect recent works carried out by Clyde Gateway and private sector developments, which were detailed in Appendix 2 to the report.

After consideration, the Board:

- (1) noted the update of the SDIUIF; and
- (2) approved the 2019 revision to support emerging developments, planning applications and the ongoing acquisition and CPO activity.

5.4 Risk Register (CG19(JUN)04)

Jim Clark presented a report on the most recent Risk Register, a working document regularly reviewed for relevance by the Clyde Gateway Senior Management Team.

After consideration, the Board approved the updated Risk Register as set out in the Appendix to the report.

For information

5.5 National Business District, Shawfield (Phase 2) (CG19(JUN)05)

The Board noted a report by Alison Brown regarding the progress on the various work packages at Phase 2 of the National Business District, Shawfield, including a potential increase of £24,000 in the contract award to RJ McLeod for construction of the stage 1R Shawfield Development Link Road (SLDR), which covered inflation and reflected a later than anticipated construction start.

5.6 Key Performance Indicators 2018/19 (CG19(JUN)06)

The Board noted a report by Barry Macintyre detailing the progress made on the nine core Key Performance Indicators (KPIs) over the 12 months to 31 March 2019 as outlined in the Appendix to the report.

5.7 Regeneration Capital Grant Fund – 2020/21 Funding Round (Stage 1 Bids) (CG19(JUN)07)

Alison Brown provided a report informing the Board of the five Stage 1 bids made to the 2020/21 funding round of the Scottish Government's Regeneration Capital Grant Fund (RCGF).

5.8 Inward Investment – Location Advisory (CG19(JUN)08)

Martin McKay presented a report giving an overview of the Inward Investment & Property Marketing (II&PM) function to 'Clyde Gateway Location Advisory', which adopted a wider team structure that aimed to deliver earlier engagement with customers and stakeholders; a customer-focused environment; more informed engagement and greater use of research; and highlighted some of the key themes the Location Advisory strategy would be structured around.

5.9 Sustainable Transport Project – Clyde Gateway Bus Service (CG19(MAY)06)

Following the approval of the extended operation of the Clyde Gateway bus service for an additional period of 13 months to June 2020 at no additional costs, which included the extension of the contract to Community Transport Glasgow (CTG) via Strathclyde Partnership for Transport (SPT) at the Board meeting in August 2018 (CG18(AUG)15), Alison Brown presented a report advising the Board of a new operator, JMB Travel Ltd (JMB), for the Clyde Gateway bus service until 31 January 2020 at no additional costs.

Alison advised that, in April 2019, CTG said it no longer wished to proceed and that, after a new procurement exercise, JMB had been appointed to deliver the service under delegated authority.

5.10 The People's Development Trust – Legacy Hub (CG19(JUN)10)

Barry Macintyre presented a report updating the Board on The People's Development Trust (PDT), following the meeting in December 2018 (CG18(DEC)09), when the Board was informed of operational and financial issues affecting the viability of the PDT, which owned and operated the Legacy Hub community centre in Dalmarnock. Barry advised that steps had been taken by the main funding organisations, including Clyde Gateway URC, to address these significant concerns, and that PDT's Board had put the company into administration on 25 January 2019 and informed the Board of the planned operational use by Glasgow City Council (GCC), who had exercised its right of pre-emption over the property, of the Legacy Hub community centre in Dalmarnock.

5.11 Finance Report – Period Ended 31 May 2019 (CG19(JUN)11)

Lesley-Ann Logan presented a report outlining the consolidated financial performance of both Clyde Gateway URC and Clyde Gateway Developments Limited for the 2-month period to 31 May 2019.

After discussion, the Board noted:

- (1) that the figures were subject to final accruals and any audit adjustments arising from completion of the 2018/19 financial statements would come back to the respective Boards for approval in August; and
- (2) updates to the approved Funded Operating Plan to reflect budget proposals since the Plan was approved in March.

5.12 CGDL Board – Meeting of 8 May 2019 (CG19(JUN)12)

The Board noted the Agenda and Minutes of the CGDL Board meeting of 8 May 2019.

5.13 Nominations and Remuneration Committee – Meeting of 31 May 2019 (CG19(JUN)13)

The Board noted an update by Barry Macintyre on the pay award 2019/20, which was the main agenda item for the last meeting of the Nominations and Remuneration Committee, and advised that the Committee had approved to implement a 3% pay uplift for the current financial year backdated to 1 April 2019.

5.14 Health & Safety Committee – Meeting of 7 June 2019 (CG19(JUN)14)

The Board noted the Agenda and Minutes of the Health & Safety Committee of 7 June 2019.

5.15 Audit & Evaluation Committee – Meeting of 10 June 2019 (CG19(JUN)15)

The Board noted the Agenda and Minutes of the Audit & Evaluation Committee of 10 June 2019.

6. Date, time and venue of next meeting.

The next meeting will be held on Wednesday 4 September 2019 at 10:30 am in Rutherglen Town Hall.