

## MEETING OF CLYDE GATEWAY DEVELOPMENTS LIMITED

### Minutes of meeting of 29th October 2021, by video conference

**Present:** Gillian Adam, Scottish Enterprise  
David Bankier  
John Gallacher - Chair  
Councillor Greg Hepburn, Glasgow City Council  
Councillor Carol Nugent, South Lanarkshire Council

**Apologies:** Ian Manson  
Stuart Heslop (please see AOB)

**Attendance:** Fiona Brittle, Scottish Government  
Alison Brown, Clyde Gateway  
Claire Ferguson, Clyde Gateway  
Michael Gray, Glasgow City Council  
John Jackson, Clyde Gateway  
Lesley-Ann Logan, Clyde Gateway  
Martin McKay, Clyde Gateway  
Michelle Mundie, Glasgow City Council  
Niki Spence, Clyde Gateway  
Angela Rowley, Clyde Gateway  
Donna Brand (Minutes)

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

John Gallacher welcomed everyone to the meeting and advised that Ian Manson and Barry Macintyre had submitted their apologies. There were no declarations of interest.

#### 2. Minutes of previous meeting and matters arising.

The minutes of the previous Board meeting of Clyde Gateway Developments Limited held on 28th August 2021 were submitted and approved.

John Gallacher subsequently advised that in relation to item 3.4 which had been withdrawn from the Board meeting relating to Riverbank Infrastructure Works at Shawfield (CGDL21(AUG)04), the recommendations submitted had been approved following the circulation of a report to Board members.

#### 3. Chief Executive's Report.

Martin McKay provided this update in Ian's absence:

1. The Pladis Action Group remains focused on the counter-proposal made to the company, which would enable it to continue operations in modern premises in Glasgow. Whilst not yet conceding the position, the Group has requested proposals which would assist the local economy to recover in the event of closure, and Clyde Gateway has been able to draw from its extensive and active list of shovel-ready-projects and put initial proposals forward for discussion by the Group.
2. The hosting of COP26 has inevitably drawn media attention once again to Shawfield contamination and Clyde Gateway continues to provide updates on its progress on request. COP26 will be a busy time for the team, with invitations accepted from fringe events to speak and also many opportunities to learn and to meet key figures and companies.

3. COP26 also presents opportunities to attract investment and Clyde Gateway continues to feature in Scotland's Green Investment Portfolio and Glasgow's recently announced Green Print, which sets out the city's green investment opportunities. The green theme has also dominated inward investment efforts at UK level with attendance at the recent London Real Estate event alongside the Scottish Cities Alliance and, last week, the launch by the UK Government of its UK Investment Atlas, prominently featuring Clyde Gateway as one of 50 UK projects and noted for 'integrating real estate and climate resilience in a 20-minute neighbourhood'.
4. The funding bidding process has been particularly intense in recent months. £750,000 has been secured from the new low carbon Vacant and Derelict Land Investment Programme (VDLIP) which opened with an accelerated process requiring funds to be legally committed this financial year.
5. The team has been able to continue operations mainly from home, as the advice is to continue to do so if possible. Visits to the office and area have been encouraged, however, and a move to spend one day each week in the office will commence soon.

#### **4. Business.**

##### **For approval**

#### **4.1 Funded Operating Plan 2021/22 to 2025/26 CGDL21(OCT)01**

Lesley-Ann Logan sought approval of the latest version of the Funded Operating Plan following a re-forecasting exercise at the midway point of the current 2021/22 financial year.

After consideration, the Board approved the latest version of the rolling Funded Operating Plan spanning the 2021/22 to 2025/26 financial years and noted its basis of preparation.

#### **4.2 Dalmarnock North – Sale of Land CGDL21(OCT)02**

John Jackson presented a report seeking approval to sell the heritable interests in Lot 1 at Dalmarnock North to Colhoun Estates (Dalmarnock) Limited (CEDL).

John advised that since the issue of the paper, there had been further discussions around the contracting entity which had been under review and would be confirmed to the Board prior to conclusion of missives. John confirmed that for the purpose of the paper the purchaser would be referred to as the Harris Family Pension Scheme and the Board was recommended to approve the disposal of lot 1, to Harris Family Pension Scheme or the agreed Harris entity for the sum of £755,000 plus VAT and the associated disposal costs.

After consideration, the Board approved

- (1) the disposal of the heritable interests in Lot 1 – Dunn Street, Dalmarnock extending to 1.37 hectares (3.38 acres) of land with consent for 5,805 sq m (62,484 sq ft) of hybrid industrial and office accommodation to Harris Family Pension Scheme or the agreed Harris entity, for £755,000 plus VAT; and
- (2) associated legal, agency and professional fees estimated at £24,000 plus VAT.

#### 4.3 South Dalmarnock Integrated Urban Infrastructure Framework Phase 4: Riverside Park CGDL21(OCT)03

Claire Ferguson presented a report seeking approval for the final stage of enabling infrastructure which would create a new riverside park, a new access road and linear park which would support both commercial and residential development.

Claire provided background information of the project which would complete the delivery of green infrastructure and sustainable drainage on and existing Clyde Gateway Developments Limited owned vacant/derelict site to support the development of commercial and residential sites in Dalmarnock.

After consideration the Board approved

- (1) the total capital investment of £3,154,458 (net of recoverable VAT) for the delivery of Work Packages D and E to create a riverside park, complete key drainage, roads and services connections for adjacent development plots, as the final works under Phase 4 of the South Dalmarnock Integrated Urban Infrastructure Framework (SDIUIF), noting that the sum included previous approvals of £188,781 (net of recoverable VAT); and
- (2) the appointment of RJ McLeod Contractors Limited as the main works contractor at a value of £2,460,738 (excluding recoverable VAT).

The Chair asked that a paper be brought to a future Board meeting setting out maintenance costs, other similar obligations and contingent items across the company's activities with details on how these were being provided for or addressed.

#### 4.4 Integrated Energy Strategy – Community Energy Project, Dalmarnock GDL21(OCT)04

Martin McKay presented a report seeking approval to appoint a service provider for the operation and management of the district heating network in Dalmarnock following its installation and metering and billing services.

Martin provided background information in relation to the project and advised that a procurement exercise had taken place to secure services for customers of the system. Martin provided further information as to the proposal that the operation and management, and metering and billing would be contracted separately to reflect operational requirements.

After consideration, the Board

- (1) appointed
  - (a) Vital Energi Limited to provide the Operation and Management services for the Dalmarnock District Heating network for a 4-year period at a cost of £80,453 (excluding recoverable VAT) with the appointment being for an initial 2-year period at £39,230 (excluding recoverable VAT); and
  - (b) Vital for Metering and Billing services for a 4-year period at a total cost of £11,960 (excluding recoverable VAT) with the appointment being for an initial 2-year period (£5,832 excluding recoverable VAT);and
- (2) approved the inclusion of a contingency allowance of £3,000; and
- (3) approved the installation of a fibre optic cable to connect the Energy Centre and end users in order to manage system data at a cost of £29,920 (excluding recoverable VAT). This cost can be met from the remaining approved capital expenditure for the District Heating Network (CG19(DEC)03).

#### 4.5 Risk Register CGDL21(OCT)05

Lesley-Ann Logan presented a report on the most recent Risk Register, a working document regularly reviewed for relevance by Clyde Gateway's Management Group and by the Audit & Evaluation Committee.

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

#### **For information.**

#### 4.6 Funding Bid Submissions CGDL21(OCT)06

Alison Brown presented a report providing an overview of funding bids which had recently been submitted to 3 separate funding programmes.

After consideration, the Board noted the report.

#### 4.7 Inward Investment – Property Enquiries CGDL21(OCT)07

John Jackson provided a report providing a 6-monthly review of the range of inward investment and property enquiries within the Clyde Gateway area up to the end of September 2021 and highlighted the associated marketing activities aimed at improving the performance of the Clyde Gateway Developments Limited Investment and Residual Property Portfolio by achieving property lets.

After consideration, the Board noted the report.

#### 4.8 Capital Programme – Update CGDL21(OCT)08

Alison Brown provided an update of the Capital Programme and of projects at the pre-development stage. She advised that there were several projects which had been completed in 2021/22 and provided further information on projects which were still on site.

After consideration, the Board noted the report.

#### 4.9 Finance Report – Period Ended 30th September 2021 CGDL21(OCT)09

Lesley-Ann Logan presented a report outlining the consolidated financial performance of both Clyde Gateway URC and Clyde Gateway Developments Limited at 30th September 2021.

After consideration, the Board noted the report.

#### 4.10 Delegated Authority Approvals – 6 months to 30th September 2021 CGDL21(OCT)10

The Board noted the project budget allocations approved under delegated authority for the six months from 1st April 2021 to 30th September 2021.

#### 4.11 Audit & Evaluation Committee – Meeting of 15th October 2021 CGDL21(OCT)11

The Board noted the agenda of the Audit & Evaluation Committee of 15th October 2021, and the approved minutes of the previous meeting of 13th August 2021.

#### 4.12 Board Meeting Dates – 2022 CGDL21(OCT)12

The Board noted the 2022 meeting dates.

**5. Any other business**

Martin McKay advised that Stuart Heslop had been unable to join the meeting due to technical difficulties and submitted his apologies.

**6. Date, time and venue of next meeting**

The next meeting would be held on Friday, 17th December 2021 at 1.00pm by video conference.

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