

MEETING OF CLYDE GATEWAY DEVELOPMENTS LIMITED

Minutes of meeting of 26th May 2021, by video conference

Present: David Bankier
John Gallacher - Chair
Councillor Greg Hepburn, Glasgow City Council
Stuart Heslop
Allan McQuade, Scottish Enterprise
Councillor Carol Nugent, South Lanarkshire Council

Apologies: Ian Manson

In attendance: Donna Brand (Minutes)
Alison Brown, Clyde Gateway
Billy Love, Scottish Government
Barry Macintyre, Clyde Gateway
Martin McKay, Clyde Gateway
Ken Meek, South Lanarkshire Council
Hugh Moore, Clyde Gateway
Angela Rowley, Clyde Gateway
Robert Young, Clyde Gateway

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

John Gallacher welcomed everyone to the meeting. Apologies were noted from Ian Manson.

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 30th April 2021 were submitted and approved.

3. Business

For approval

3.1 The Albus and One Rutherglen Links Sale of Investment Properties CGDL21(May)01

Robert Young sought approval to sell the heritable interests in The Albus and One Rutherglen Links office buildings for the combined sum of £5,999,997 with no VAT chargeable.

Robert provided background information in relation to the marketing strategy undertaken by commercial property adviser Ryden which had resulted in one party confirming its intentions to offer at, or close to, the asking price which had aimed to achieve £6m. Ryden advised that the offer received from M7 Real Estate Investment Partners X Propco Limited (MREIP) was an attractive bid at a time when uncertainty remained as to how the office market would respond to potential post-pandemic changes in occupational strategies.

After consideration, the Board approved

- (1) acceptance of the offer submitted by M7 Real Estate Ltd (MREL) on behalf of its nominated fund, M7 Real Estate Investment Partners X Propco Limited (MREIP), to acquire the heritable interests in 2 office buildings - The Albus building at 110 Brook Street, Mile End and One Rutherglen Links at Farme Cross – for a combined price of £5,999,997 with no VAT chargeable;

- (2) a professional fees budget of up to £58,200 net of recoverable VAT for associated legal and agency costs; and
- (3) to underwriting the cost of remedial works by the main contractor at The Albus building of up to £50,000 net of recoverable VAT.

3.2 Integrated Energy Strategy – D2 Grids Renewable Energy Project CGDL21(MAY)02

Martin McKay presented a report advising that D2 Grids a European Demonstrator project, had been successful in securing external funding support to assist preparation of a full business case and seeking approval to undertake this critical next stage of pre-development.

Martin provided background information in relation to the project, which followed on from the report which had been presented to the Board outlining the background to the D2 Grids project and the next steps which were required in order to complete the project by April 2023.

After consideration, the Board

- (1) approved the preparation of a Full Business Case for the D2 Grids Project, a 5th Generation District Heating and Cooling system as part of the approved Clyde Gateway Integrated Energy Strategy at a total project cost of £305,706 (excluding recoverable VAT) including £35,706 approved to date; and
- (2) noted that £220,000 income had been secured from external funding sources and the net cost to Clyde Gateway Developments Limited was £85,706 (excluding recoverable VAT).

4 Any other business

The Chair advised that Allan McQuade was retiring from Scottish Enterprise at the end of August 2021, and that a more formal appreciation of Allan's invaluable input and experience since he joined the Board in 2009 would be communicated at the meeting scheduled for the end of August 2021.

5 Date, time and venue of next meeting.

The next meeting would be held on Friday, 25th June 2021 at 1.00pm via Microsoft Teams
