

MEETING OF CLYDE GATEWAY DEVELOPMENTS LIMITED

Minutes of Meeting of 28 October 2022

- Present:** Gillian Adam
David Bankier
John Gallacher (Chair)
Ian Manson
- Apology:** Councillor Robert Brown
Councillor Greg Hepburn
Stuart Heslop
- In attendance:** Alison Brown
Barry Macintyre
Martin McKay
Angela Rowley
Donna Brand (Minutes)

1. Welcome, introductions, apologies and declarations of interest

John Gallacher welcomed everyone to the meeting and noted that apologies had been received from Robert Brown, Stuart Heslop and Greg Hepburn.

The Chair reported that this would be Gillian's last meeting as a director. He thanked her for her contribution to the Board and also for the work previously undertaken in helping secure the two commercial loans that the company had received from Scottish Enterprise. John reported that Gillian's involvement with Clyde Gateway is set to continue with her team currently working with Barry and Alison on a possible significant programme of supported projects, particularly around the provision of manufacturing space.

2. Minutes of previous meeting approved

The Minutes of the previous Board meeting of Clyde Gateway Developments Limited, held on 26 August 2022, were submitted and approved.

3. Chief Executive's Report

Ian advised that, following the August Board Meeting, six community information sessions had been held outlining Clyde Gateway's plans for the refurbishment of the Bridgeton Umbrella. In total, thirty people attended including local residents and community leaders and others interested in the Umbrella from a historical and technical viewpoint. The sessions provided a sufficient level of confidence in the plans, with local people welcoming proposals to keep everyone informed throughout the duration of the works and prior to its reinstatement.

Clyde Gateway had pursued a range of successful transport initiatives but, despite previous investment in improvements to Bridgeton Station and a strong case being made over the years, efforts had not so far secured accessible, level, disabled access, and it remained the only local station without this facility.

Decisions and funding for station accessibility work is currently reserved to the UK Government. In a recent and welcome move, Transport Scotland has submitted a bid for Bridgeton to the Department for Transport for the next 5-year phase of its Access for All Programme (2024-29) currently being put together with those included to be announced next spring.

Given the significance of this project for local people and its importance in the attraction of more jobs to Bridgeton, together with Clyde Gateway's previous success in attracting rail industry funds and securing major projects that would otherwise not proceed, an in-principle contribution of up to £800k had been indicated, to be made available sometime within the 5-year period and subject to detailed project plans being prepared.

Ian advised of the final closure of the Pladis factory at Tollcross and, along with it, the ending of the Scottish Government and Glasgow City Council chaired Action Group. Proposals to invest in new locations and infrastructure to ensure manufacturing businesses could locate and thrive in the wider East End remain under consideration, most notably in the draft investment programme under joint development with Scottish Enterprise and which could result in up to £16.0m being invested in the Clyde Gateway area for this purpose.

Close attention continues to be paid to the final position in respect of Corporation Tax and Gift Aid for the 2021/22 financial year. The presentation on this agenda of the Funded Operating Plan would expand on this issue. It was recognised that the current uncertain economic situation may impact on asset sales, but potential disposals continue to be progressed and the Board would today consider an accelerated opportunity for disposal.

Clyde Gateway has been monitoring cost of living issues and an offer has been made to provide additional funds to local community organisations currently in receipt of support, with an additional £5,000 from existing budgets awarded to each. Regarding Clyde Gateway's own staff, the decision of the Nominations and Remuneration Committee to match the COSLA settlement for local government workers was a welcome step. It remains the case, however, that the public finances are challenged, and efforts continue to monitor the impact on Clyde Gateway of any in-year changes in the Scottish Government's budget and its preparations for the 2023/24 version.

Clyde Gateway had received a number of visitors over recent times and extended invitations to relevant Government Ministers to open projects nearing completion. A notable visitor was the Governor of Victoria, Australia who had sought ideas on legacy as this State will host the next Commonwealth Games in 2026. Clyde Gateway was also looking forward to meeting Mairi McAllan MSP, Minister for Environment, Diversity and Land Reform, who had indicated her wish to visit Shawfield as part of Clyde Gateway's ongoing dialogue around resourcing and completion of the decontamination project.

Finally, Ian noted that the process to fill the Chief Executive vacancy next year was underway, with appropriate external advice and resources secured to assist, and a panel in place to enable the Boards of Clyde Gateway URC and Clyde Gateway Developments Limited to recruit a suitable candidate.

For approval

4.1 Funded Operating Plan 2022/23 to 2025/26 CGDL22(OCT)01

Barry Macintyre sought approval of the latest version of the Funded Operating Plan which had been updated for the results of the re-forecasting exercise undertaken at the midway point of the current 2022/23 financial year.

After consideration, the Board approved the updated Funded Operating Plan spanning the 2022/23 to 2025/26 financial years which incorporated additional grant awards and the results of the re-forecasting exercise performed at the end of September.

4.2 156/160 Reid Street, Dalmarnock – Sale of Investment Property CGDL22(OCT)02

Angela Rowley presented a report seeking approval for the sale of the garage and MOT workshop premises at 156 and 160 Reid Street, Dalmarnock to the sitting tenant for £450,000 exclusive of VAT.

Angela provided background information into the tenant's lease of both properties, which had been approved at previous Board meetings, and their subsequent request to purchase following the rent review in April 2022.

After consideration, the Board approved

- (1) the completion of the sale of 156 and 160 Reid Street to John Taylor, trading as Monarch Garage, via its nominated purchasing entity, Maxxi Jazz Limited, for the price of £450,000 exclusive of VAT; and
- (2) payment of legal fees estimated at £4,000 exclusive of recoverable VAT.

4.3 Risk Register CGDL22(OCT)03

Barry Macintyre reported on the latest version of the 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 risk register as set out in the Appendix.

For information

4.4 Integrated Energy Strategy – Partnership Development CGDL22(OCT)04

Martin McKay presented a report providing an update on initial discussions with an energy company on the possible development of a partnership model with the potential for co-investment in Clyde Gateway's Heat Networks to fund expansion and future growth alongside a structured exit strategy.

Martin provided an overview of the project with the proposed partner [REDACTED], as well as the key elements that Clyde Gateway would need to address before taking the project forward.

After discussion, the Board noted that further review of the partnership proposals would be undertaken and more detail would come back for consideration in due course.

4.5 Capital Programme Update CGDL22(OCT)05

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 2022/23 and provided further information on projects which were still on site.

After consideration, the Board noted the report.

4.6 Treasury Management – Interest on Funds CGDL22(OCT)06

Barry Macintyre presented a report advising that approval was being sought from the Board of Clyde Gateway URC to increase the cap on funds held in any one deposit account of both companies from £5.0m to £10.0m and for monies to be placed into Treasury Reserve accounts for up to six months.

After consideration, the Board noted the report.

4.7 Finance Report – Period Ended 30 September 2022 CGDL22(OCT)07

Barry Macintyre presented a report outlining the consolidated financial performance of both Clyde Gateway URC and Clyde Gateway Developments Limited at 30 September 2022.

After consideration, the Board noted the report.

4.8 Delegated Authority Approvals – 6 months to 30 September 2022 CGDL22(OCT)08

The Board noted the project budget allocations approved under delegated authority for the 6 months from 1 April to 30 September 2022.

4.9 Health & Safety Committee – Meetings of 8 August and 4 October 2022 CGDL22(OCT)09

The Board noted that two meetings of the Health & Safety Committee had been held on 8 August and 4 October 2022 and that the minutes of both meetings were available on request.

4.10 Audit & Evaluation Committee – Meeting of 14 October 2022 CGDL22(OCT)10

The Board noted the agenda of the Audit & Evaluation Committee of 14 October 2022 and the approved minutes of the previous meeting of 12 August 2022.

4.11 Board Appointments CGDL22(OCT)11

Barry Macintyre presented details of recent Board changes.

After consideration, the Board noted that

- (1) at its meeting on 26 August 2022 Clyde Gateway URC's Board had approved the appointment to Clyde Gateway Developments Limited's Board of Councillor Robert Brown from South Lanarkshire Council.
- (2) Gillian Adam had given notice of her intention to step down as a director of both Clyde Gateway URC and Clyde Gateway Developments Limited at the end of the October Board meetings.
- (3) Derek Shaw, Director of Innovation & Place at Scottish Enterprise would be appointed a director of Clyde Gateway URC immediately following its October Board meeting, and that approval was being sought from the parent charity company to appoint Mr Shaw as a director of Clyde Gateway Developments Limited.

5. Date, time and venue of next meeting

The Board noted the next meeting would be held on Friday 16 December 2022 at 1:00 pm, venue to be confirmed.
