

JOINT MEETING OF CLYDE GATEWAY URC AND CLYDE GATEWAY DEVELOPMENTS LIMITED

Minutes of Meeting of 23 February 2024

Present: David Bankier (Clyde Gateway Developments Limited)
Councillor Robert Brown (South Lanarkshire Council)
Councillor Margaret Cowie (South Lanarkshire Council) *
John Gallacher (Clyde Gateway Developments Limited)
Stuart Heslop (Clyde Gateway Developments Limited)
Martin McKay (Chief Executive)
Robert McLeary (South Lanarkshire Community Representative)
Stuart Patrick (Glasgow Business Community Representative)
Rosie Robertson (Glasgow Community Representative)
Derek Shaw (Scottish Enterprise)
Alison Thewliss MP (Chair)
Jim Watson (Scottish Enterprise) *

Apologies: Councillor Greg Hepburn (Glasgow City Council)
Councillor Cecilia O'Lone (Glasgow City Council)

In attendance: Alison Brown (South Lanarkshire Council)
Dougie Cameron (Clyde Gateway)
Allan Drysdale (Clyde Gateway)
Martin Joyce (Clyde Gateway)
Barry Macintyre (Clyde Gateway)
Bernadette Pollock (Clyde Gateway)
Angela Rowley (Clyde Gateway)
Jamie Shields (Clyde Gateway)
Niki Spence (Clyde Gateway)

** attendance by video link*

1. Welcome, introductions, apologies and declarations of interest

The Chair, Alison Thewliss MP, welcomed everyone to the meeting and noted apologies from Greg Hepburn and Cecilia O'Lone. It was noted that the meeting was inquorate in respect of the URC and any relevant approvals would require to be confirmed retrospectively.

Rosie Robertson declared an interest in relation to item 6.1 – Business and Community Growth Programme 2024/25.

2. Minutes of previous meeting and any matters arising

The Minutes of the previous Board Meetings of Clyde Gateway URC and Clyde Gateway Developments Limited (CGDL) held on 15 December 2023 were submitted and approved.

3. Chair's Report

The Chair gave a verbal report in which she referred to the recent budget challenges faced by the organisation and thanked members for their continuing commitment. It was highlighted that Clyde Gateway (CG) had faced challenges in the past as a result of annualised budgets, however, our robust financial planning gives encouragement over the period of the Operating

Plan. Alison reaffirmed that the Boards would collectively continue to lobby for, and encourage, continuing investment in CG from 2025/26 onwards, and in this regard thanked the members of both Boards for their efforts since the budget.

John Gallacher supported the Chair's comments noting the role of CGDL to help deliver the strategy and achieving regeneration returns.

John advised the meeting that in January 2024 an approval by CGDL via written procedures in relation to the lease of Unit 4 at Eastworks to Acumen Cyber Ltd, a growing Scottish cyber security business, and the Board formally acknowledged this approval.

It was also noted that it was anticipated that two papers would be brought forward to CGDL for approval via written procedures week beginning 4th March in relation to Product Testing at Shawfield and a Lease Agreement at Clyde Gateway East.

The Board noted the verbal report and update.

4. Chief Executive's Report

Martin McKay presented a report which focussed on two main areas of business, the Scottish Government Budget, and Investment Zones.

He began by making reference to the cut in the Scottish Government funding for CG, and advised the meeting that correspondence between the Chair and Joe FitzPatrick, Minister for Local Government, Empowerment and Planning, were appended to the report and further engagement would take place.

Highlighted the recent Ministerial visit by Joe FitzPatrick for a tour of the CG area and recently developed venues including Eastworks, which was followed by a visit to Top Golf for an event focussing on businesses working towards the transition to net zero.

Martin advised that South Lanarkshire Council (SLC) had approved £800k funding for CG in their budget, which demonstrated continued endorsement, and noted that meetings had taken place with all members and thanked them for their support.

It was also indicated that engagement with SG continued to take place, and this included work to secure £3.8m in Nature Restoration funding aligned to Shawfield environmental outcomes.

He assured the meeting that CG would maintain its dogged approach to identifying funding opportunities but recognised the challenges around the budget and the impact on reserves.

Discussion centred around the future strategic narrative for the organisation and in this regard it was noted that there was a substantial programme of activity in the short term, and in the medium to longer term the message should be that the 'job is not done' and would seek to demonstrate the success achieved in bringing in investment and jobs to the area which wouldn't have otherwise occurred.

Martin also gave an overview of the work ongoing in relation to Investment Zones and collaboration and engagement with SLC and the higher education sector, noting that he had met with Sir Jim McDonald, Principal of the University of Strathclyde, and further meetings would be held once the Investment Zone bid had been submitted.

The Boards noted the Chief Executive's update report.

5. Joint Business

For Approval

5.1 Funded Operating Plan 2023/24 to 2026/27 - CG24(FEB)01

Barry Macintyre presented a paper which advised that the Funded Operating Plan had been updated to incorporate material changes to anticipated capital grant awards and the results of the re-forecasting exercise undertaken at the nine month point of the current 2023/24 financial year.

Barry indicated to the meeting that it was felt to be prudent to provide an updated Funded Operating Plan at this stage given the change to CG's funding situation.

It was highlighted that the areas of activity which would be funded through the Levelling Up Fund (LUF) award were detailed in the report, and one of the appendices set out what the budget would look like without the LUF monies being taken into account.

In relation to funding it was advised that £1m from the Scottish Government reintroduced to the budget was included under revenue, however, the £800k confirmed by SLC was not reflected in the paper. It was also pointed out that GCC's three year capital programme was in to the final year of the three year commitment.

With regard to goals and expenditure, it was indicated that in relation to Goal 1, the reduction in Scottish Government funding meant the scaling back on Shawfield remediation works other than the areas covered by LUF. Goal 2 included the £8.8m funding for the GRID Campus HVM industrial development, and in relation to Goal 3 it was advised that the Business & Community Growth paper also on the agenda provided more detail.

Barry intimated the importance of being able to evidence the success of the model and referred to the Gift Aid mechanism and the generation of reserves to help demonstrate to the Scottish Government the potential to continue to deliver in a sustainable fashion.

After consideration the Boards approved latest iteration of the Funded Operating Plan which reflected the impact of the Scottish Government's reduced capital support to Clyde Gateway, the UK Government's proposed Levelling Up Fund award towards Shawfield Phase 2 and the results of a re-forecasting exercise performed following the December period-end.

5.2 Manscroft Place Surplus Soil Removal / Cuningar Loop Woodland Park (Phase3) – CG24(FEB)02

Angela Rowley presented a report which sought approval to treat the surplus material at Manscroft Place for transfer and incorporation within the scope of amended specification of works at Cuningar Loop Woodland Park Phase 3.

After consideration the Boards:

- (i) approved the disposal of 4,090m³ of non-hazardous surplus material from Manscroft Place to Cuningar Loop Woodland Park for a total project cost of [REDACTED] (excluding recoverable VAT); and
- (ii) noted the potential reduction in the scope of works at Cuningar Woodland Park Phase 3 due to the reduction in VDLIP funding available.

5.3 Risk Register - CG24(FEB)03

Allan Drysdale presented the Risk Register, informing the Board that a review of risks had taken place by the Management Group at the end of January, and had been approved by the Audit & Evaluation Committee at their February meeting.

It was highlighted that seven risks had been recommended for a change to their scoring and that the majority reflected the impact of the cut in Scottish Government funding.

The Boards approved the Risk Register.

5.4 Provision of Audit, Accountancy and Tax Services - CG24(FEB)04

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

For Information

5.5 NBD Shawfield (Phase 2) Grid Campus Development - CG24(FEB)05

Martin Joyce presented a paper which detailed the tender submissions and assessment of the main construction works to develop two industrial units at Phase 2 of NBD Shawfield. Following the identification of the preferred bidder the Board is asked to note a reduced capital investment budget of [REDACTED] (net of recoverable VAT) which was set out at Appendix 1 of the report.

After consideration the Boards noted the content of the report.

5.6 Capital Programme Update – CG24(FEB)06

Martin Joyce presented a paper which provided a progress report on the capital development programme, including details of projects at the pre-development stage.

The Boards noted the contents of the report.

5.7 Finance Report to 31 January 2024 – CG24(FEB)07

Bernadette Pollock presented a paper which provided an overview of financial activity for the four months to 31 January 2024.

Bernadette highlighted that the expenditure for the three strategic goals was showing a positive variance against forecast for each.

The Boards noted the contents of the report.

5.8 Health & Safety Committee Annual Report 2023 – CG24(FEB)08

Martin Joyce presented the Annual Report of the Clyde Gateway Health & Safety Committee covering the 2023 calendar year.

The Boards noted the contents of the report and that the next Annual Report would be presented in February 2025.

5.9 Committee Meetings – Oversight of Business Conducted – CG24(FEB)09

Allan Drysdale presented a paper which provided an overview of the business conducted by the sub-committees of Clyde Gateway URC in the intervening period since the last Board meeting on 15 December 2023.

The Board noted the contents of the report.

6. **Clyde Gateway URC Only Business**

For Approval

6.1 Business and Community Growth Programme 2024/25 – CG24(FEB)10

Niki Spence presented a paper which provided an overview of the Business and Community Growth programme, an update on activity during the last twelve months, the options which had been considered for 2024/25 and the recommended option for budget approval.

Niki advised that a holistic approach had been taken in developing options and ensuring the areas of support identified as being the most critical. She noted that this was a significant programme and this was reflected in the size of the report and that a number of options had been considered which were included within. It was highlighted that £209k was earmarked to come from reserves to support the programme.

It was indicated that the paper would usually go to the Community Committee for their input and feedback first, however, timing meant that this had not been possible, and that the Committee would consider the paper at their meeting on 28 February.

Discussion took place relating to what was envisaged as the long term outcomes and how progress was maintained beyond the lifetime of the organisation noting that the effort required to ensure sustained results was significant. In this regard it was noted that the programme was designed to identify what interventions could be mainstreamed and delivered via partner organisations in the longer term.

After consideration the Board:

- (i) approved a total B&CG programme budget for 2024/25 of up to [REDACTED] for planned activity in 2024/25 and noted the on-going efforts to secure additional funding to enhance this activity; and
- (ii) also approved to grant appropriate delegated authority to the Chief Executive to determine the allocation of contributions in year 2024/25, subject to full due diligence and procurement compliance as may be required.

6.2 Bank Mandates – CG24(FEB)11

Bernadette Pollock presented a report which requested approval to update bank mandates to reflect current staff with the appointment of Martin Joyce as a signatory with immediate effect for both companies, and Derek Shaw as a signatory to Clyde Gateway Developments Limited, as well as the removal of staff no longer required on mandate.

After consideration the Board approved the update to group bank mandates with appointment of Martin Joyce and Derek Shaw as signatories as detailed, and the removal of previous signatories no longer required.

For Information

6.3 CGDL Board Meeting 15 December 2023 – CG24(FEB)12

Allan Drysdale presented a paper that provided details of the business conducted by the Board of Clyde Gateway Developments Limited at its meeting on Friday 15 December 2023. The agenda and the minutes of the meeting were attached as appendices.

The Board noted the information provided.

7. Any Other Business and Closing Remarks

The Chair advised that this was Barry Macintyre's final Board meeting before retiring at the end of February.

She noted that Barry was one of the original officers involved in the establishment of Clyde Gateway and formally joined the company in 2009 as Director of Resources following a period of secondment from Scottish Enterprise, taking up his current Chief Operating Officer role in 2013. The Board recognised the hugely significant contribution which he had made to Clyde Gateway and its work for almost 16 years.

It was recognised that Barry was held in high esteem by his colleagues, and the Clyde Gateway team and Board joined in wishing him a happy and healthy retirement.

Barry responded in kind and thanked Board members and colleagues both past and present for their support during his time at Clyde Gateway.

8. Date, time and venue of next meeting

The Board noted that the next meetings would be held on Friday 26 April 2024 in the Olympia, Bridgeton Cross, with Clyde Gateway Developments Limited taking place at 1.00pm and Clyde Gateway URC at 2.30pm.
