

# MEETING OF CLYDE GATEWAY DEVELOPMENTS LIMITED

## Minutes of Meeting of 27 October 2023

**Present:** David Bankier  
Councillor Robert Brown (South Lanarkshire Council)  
John Gallacher (Chair)  
Stuart Heslop  
Martin McKay (Clyde Gateway)  
Derek Shaw (Scottish Enterprise)

**Apologies:** Councillor Greg Hepburn (Glasgow City Council)

**In attendance:** Alison Brown (South Lanarkshire Council)  
Harry Brickell (Scottish Government)  
Dougie Cameron (Clyde Gateway)  
Allan Drysdale (Clyde Gateway)  
Barry Macintyre (Clyde Gateway)  
Bernadette Pollock (Clyde Gateway)  
Angela Rowley (Clyde Gateway)  
Jamie Shields (Clyde Gateway)  
Niki Spence (Clyde Gateway)  
Robert Young (Clyde Gateway)

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

John Gallacher welcomed those present to the meeting. It was noted that apologies had been received from Greg Hepburn.

There were no declarations of interest.

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

The Minutes of the previous Board meeting of Clyde Gateway Developments Limited, held on 25 August 2023, were submitted, and approved.

### 3. Chief Executive's Report

Martin McKay gave a verbal report during which he:

- Reported back on the development day held at Eastworks on 28 September which included members of both the Development Company and URC Boards as well as the Community Committee. Feedback from attendees indicated that they had found the session useful and that it was intended to hold a follow up event next year.
- Advised the Board that the sale of 2 Rutherglen Links to USDAW had now been completed.
- Reported on the visit of Joe Fitzpatrick MSP, Minister for Local Government Empowerment and Planning, to Clyde Gateway East for the ground-breaking ceremony, which also provided the opportunity to discuss Shawfield and the proposed Scottish Government Hub to be located in Glasgow.
- In relation to Investment Zones that early stage discussions were taking place with South Lanarkshire Council (SLC) to scope out options and that further information would be shared with the Board once plans had progressed.
- Highlighted the acquisition of land at Shawfield and advised that further detail would be presented to the December Board meeting including a presentation.

The Board noted the verbal update by the Chief Executive.

#### **4. For approval**

##### **4.1 Funded Operating Plan – 2023/24 to 2025/26 Reforecast - CGDL23(OCT)01**

Barry Macintyre presented a paper that updated the three year Funded Operating Plan, previously approved by the Board in April of this year, to incorporate additional grant awards, budget amendments and the results of a re-forecasting exercise performed following the September period-end.

Barry advised that this was the latest iteration of the 6-month reforecasting exercise on the Funded Operating Plan. It was indicated that there were some changes to figures and movement on spend which had been approved by both Boards and these were presented within the appendices.

It was noted that the Scottish Government's 2023/24 Regeneration Capital Grant Fund award of £3.35m in respect of Shawfield GRID Campus was not yet reflected in the plan. The paper detailed that the VDLF award of £562k from SLC had been carried forward, and the £120k from SLC received from the Shared Prosperity Fund was also included. The forecast for returns from bank interest had increased due to high interest rates and this was set out within the report.

Section 4 of the report advised of approvals, and attention was drawn in particular to Corporation Tax and it was noted that the recent sale of Rutherglen Links may impact on this prior to the end of the financial year.

Discussion took place in respect of the Riverbank Infrastructure Works at Shawfield in terms of potentially recouping costs and it was advised that officers continued to work to identify funding sources for this work. The Board also queried the issue of maintenance costs going forward and indicated that they would be keen to be kept informed on developments in this respect.

After consideration the Board approved the latest version of the Funded Operating Plan spanning the 2023/24 to 2025/26 financial years and noted its basis of preparation.

##### **4.2 Red Tree @Eastworks – Investment Decision – CDL23(OCT)02**

Dougie Cameron presented a paper which proposed to establish a Red Tree workspace within Unit 9 (previously known as unit 5) of the EastWorks development in Dalmarnock and set out the main works and costs along with approval to deliver the project.

Dougie provided further background noting that the business case had previously been approved by the Board in April 2022 (CGDL22(APR)02).

After consideration, the Board approved:

- i) The appointment of the successful contractor to undertake the main fit out works to Unit 9 at EastWorks at a cost of up to [REDACTED] excluding recoverable VAT and to authorise the Chief Executive to sign the construction contract;
- ii) The additional works and fees costs of [REDACTED] excluding recoverable VAT to deliver the project; and
- iii) Noted the total project cost of [REDACTED] excluding recoverable VAT.

#### 4.3 Community Energy Project, Dalmarnock – DHN Extension – CGDL23(OCT)03

Jamie Shields presented a paper that provided an update on the community energy extension project which connects the existing live heating network to pipework previously installed in Colvend Street, Dalmarnock and sought approval for additional repair costs.

It was advised that the request for additional budget was a result of the challenges related to the infrastructure works required which will increase costs.

After consideration, the Board noted the contents of the report and agreed to approve an increase of [REDACTED] (net of recoverable VAT) to the previous approved budget to carry out necessary repair works on previously installed pipework in Colvend Street, Dalmarnock.

#### 4.4 Risk Register - CGDL23(OCT)04

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

John Gallacher suggested that risk number 11 in relation to Disruption to Business may have decreased. It was noted that this had increased in September 2022, however, actions had been taken which should see this risk reduce, and this would be reflected in the next review.

It was recommended that the scoring of three risks should change, these being:

- Risk 8 – Outcomes unable to be achieved without exceptional use of regulatory powers – the impact has reduced from 4 to 3 resulting in an overall score of 9, moving from the red category to amber.
- Risk 17 – Local residents are unable to take advantage of emerging opportunities and the quality of life will remain unchanged for many - the probability has increased from 2 to 3 resulting in an overall score of 9. The overall risk level remains in the amber category.
- Risk 25 - Risk of delay in receiving grant payments - the probability of this overall issue recurring has reduced from 4 to 2 with the risk impact rating remaining at 4, bringing the risk level down from red to amber.

The Board approved the Risk Register.

#### **For information**

#### 4.5 Shawfield Stadium Redevelopment - CGDL23(OCT)05

Martin McKay presented a report which provided the board with an update on the proposed redevelopment of Shawfield Stadium currently under consideration by the owners and subject to an application to South Lanarkshire Council.

He advised that the proposals would be on public display in Red Tree Magenta, and the ambitious scheme for residential development could assist in linking Shawfield and Rutherglen.

Stuart Heslop declared a commercial interest with a potential connected party.

The Board noted the update provided within the paper.

#### 4.6 Voice and Data Services Review - CGDL23(OCT)06

Angela Rowley presented a report which provided the Board with information regarding the contract for provision of Voice and Data Systems (VDS) services.

It was advised that the Board of Clyde Gateway Developments Limited (CGDL) approved the appointment of Kube Networks Ltd (KubeNet) as its preferred three-year framework supplier of VDS services in September 2020 (CGDL20(SEP)02).

After consideration the Board noted;

- (i) the actual outturn of the 3 year Voice and Data Systems contract; and
- (ii) the 12 month extension to the contract with Kube Networks Ltd to provide Voice and Data Systems at an operating budget of [REDACTED] plus recoverable VAT and a deficit of [REDACTED]

#### 4.7 Grant Funding Submissions - CGDL23(OCT)07

Dougie Cameron presented a paper that provided an update and overview of current funding sources with which Clyde Gateway is engaging in 2023/24.

It advised that Clyde Gateway continually monitors funding opportunities, and the report provided an update in relation to six funds:

- UK Levelling Up Fund
- Low Carbon Fund - Vacant/Derelict Land Investment Programme
- Regeneration Capital Grant Fund
- Scottish Government Place Fund
- Supporting Families
- UK Shared Prosperity Fund

The Board was informed of the results of recent bids including the submission to the UK Levelling Up Fund in partnership with SLC which had been unsuccessful, the Vacant and Derelict Land Investment Programmes (VDLIP) which 4 of the 5 projects submitted by CG had progressed to stage two, and the Regeneration Capital Grant Fund (RCGF) of which three of the four bids submitted were invited to submit a stage two bid. Additionally, a bid to the Place Based Investment Programme relating to Bridgeton Library had been successful and additional monies in relation to Supporting Families had been awarded.

The Board noted the contents of the report.

#### 4.8 Capital Programme Update - CGDL23(OCT)08

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

It was advised that, resulting from discussion at the August Board, members of the development team would carry out a series of scoping exercises aimed at targeting and accelerating/expediting projects at the pre-construction stage, and the paper provided an update on some of the work carried out in this regard.

The Board noted the contents of the report.

4.9 Finance Report to 30 September 2023 – CGDL23(OCT)09

Bernadette Pollock presented a paper which provided an overview of financial activity for the four months to 30 September 2023.

Bernie advised that income was ahead of forecast by [REDACTED], with actual expenditure behind by [REDACTED] due to delays in major project delivery including Shawfield Riverbank works and Shawfield Phase 2.

The Board noted the contents of the report.

4.10 Delegated Authority Approvals – CGDL23(OCT)10

Bernadette Pollock presented a report which informed the Board of budgets approved under delegated authority for the six months from 1 April to 30 September 2023.

The Board noted the contents of the report.

4.11 Board Meeting Dates 2024 – CGDL23(OCT)11

Allan Drysdale presented the proposed Board meeting dates for 2024 and advised that calendar invites would be sent to all attendees.

The Board noted the meeting dates for 2024.

**5. Any Other Business**

No further items of business were raised.

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

The Board noted that the next meeting would be held on Friday 15 December 2023 at 1:00pm, in the Olympia, Bridgeton Cross.

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