

MEETING OF CLYDE GATEWAY DEVELOPMENTS LIMITED

Minutes of Meeting of 23 February 2024

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)
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)

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 Councillor Greg Hepburn.

2. Minutes of previous meeting and any matters arising

The Minutes of the previous Board meeting of Clyde Gateway Developments Limited, held on 15 December 2023, were submitted and approved.

3. 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.

Martin also covered 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 Board noted the Chief Executive's update report.

4. For approval

4.1 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.

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 Board 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.

4.2 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.

4.3 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 Board approved the Risk Register.

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

[REDACTED]

[REDACTED]

For Information

4.5 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 Board noted the content of the report.

4.6 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 Board noted the contents of the report.

4.7 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 Board noted the contents of the report.

4.8 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.

4.9 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 Boards last met on 15 December 2023.

The Board noted the contents of the report.

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 26 April 2024 at 1:00pm, in the Olympia, Bridgeton Cross.
