

# JOINT MEETING OF CLYDE GATEWAY URC AND CLYDE GATEWAY DEVELOPMENTS LIMITED

## Minutes of Meeting of 13 December 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) (Joint Chair)  
Councillor Greg Hepburn (Glasgow City Council) \*  
Martin McKay (Chief Executive)  
Robert McLeary (South Lanarkshire Community Representative)  
Alison Munro (Scottish Enterprise)  
Stuart Patrick (Glasgow Business Community Representative)  
Derek Shaw (Scottish Enterprise)  
Alison Thewliss (Joint Chair)

**Apologies:** Stuart Heslop (Clyde Gateway Developments Limited)  
Councillor Cecilia O'Lone (Glasgow City Council)  
Rosie Robertson (Glasgow Community Representative)

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

\* *attendance by video link*

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

Bernadette Pollock opened the meeting and with the Board's agreement took item CG24(DEC)01 – Board Appointments first on the agenda. She advised that Clyde Gateway URC's sixteenth AGM had been held immediately prior to the Board meeting. Under the Articles of Association, a number of directors holding specific posts were required to step down at the AGM and were eligible for re-appointment. The following directors had all indicated their wish to be re-appointed and the company's three Members had given their prior approval to these re-appointments as also required under the Articles of Association:

- Alison Thewliss (Independent Director and Chair);
- Robert McLeary (Co-opted Director drawn from the South Lanarkshire local community);
- Stuart Patrick (Co-opted Director with private sector financial/business expertise drawn from the Glasgow area); and
- Rosemary Robertson (Co-opted Director drawn from the Glasgow local community).

Before the December Board meeting could conduct its business Bernadette Pollock sought approval to re-appoint the four directors above, and to appoint Alison Thewliss as Chair. Board approval was also sought to appoint Margaret Cowie and Greg Hepburn as the two Vice-Chairs. It was noted that the position of co-opted Director from South Lanarkshire remained vacant.

It was further advised that appointments to Committees were also required and that as with other office holders, the Chairs of the Audit & Evaluation Committee (AEC) and the Nominations and Remuneration Committee (NRC) vacated office following the AGM.

It was proposed that David Bankier be reappointed as Chair of the AEC, and that an existing vacancy on the AEC be filled by Alison Munro.

The position of Chair of the NRC was also noted as being vacant, and it was proposed that Derek Shaw be appointed to this role.

Currently the roles of Company Secretary for Clyde Gateway URC and Clyde Gateway Developments Limited are held by Louise McCormack and Michelle Barr respectively. It is proposed that Allan Drysdale, Corporate Governance Manager, is appointed as Company Secretary for both companies.

After consideration the Board approved:

- (i) the appointment/re-appointment of directors as set out in the report and its Appendix;
- (ii) the appointments to Committees as set out in the report;
- (iii) the appointment of Allan Drysdale as Company Secretary for both Clyde Gateway URC and Clyde Gateway Developments Limited.

## **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 25 October 2024 were submitted.

Alison Munro indicated that she was omitted from the list of those in attendance at the URC meeting, noting this amendment the minutes were otherwise agreed.

## **3. Chair's Report**

The Chair gave a verbal report in which she:

- Thanked the board for accepting the joint board arrangement and agreeing to consider the late paper added to the agenda.
- Welcomed the recent budget announcement from the Scottish Government which saw some increases in capital and place budgets.
- Reflected on the Deputy First Minister's visit to Clyde Gateway East to see first-hand the outcomes of long-term regeneration delivering job outcomes.
- Mentioned some of the community events she had recently attended including the Bridgeton Cross Remembrance Service and Calton Heritage and Learning Centre's 11<sup>th</sup> Anniversary event.

The board noted the verbal update by the Chair.

## **4. Chief Executive's Report**

Martin McKay provided a verbal update in which he:

- Thanked colleagues at South Lanarkshire Council for their consideration of LUF funding which had now been received by Clyde Gateway and noted there was an update paper in this regard on the agenda.

- Provided an update on discussions with the Scottish Government in relation to Budget allocations for Revenue (£0.5m) and Capital (£3.0m) and noted the potential for RCGF and VDLIP funding and that submissions had been sent in December 2024. Martin also advised that internal planning was ongoing, and a Funded Operating Plan will be presented to the Boards in February 2025 ahead of a wider options review in April 2025.
- Echoed the comments of the Chair in relation to the visit by the Deputy First Minister and noted that further media coverage was received for the letting to Acumen Cyber in addition to the coverage for EastWorks.
- Noted the proposed visit by Gillian Martin, Acting Cabinet Secretary for Net Zero and Energy, in February 2025 with a focus on D2Grids.
- Mentioned his attendance at a range of recent events including the State of the City Economy conference, the Scottish Property Federation's Parliamentary reception, and University of Strathclyde civic reception.
- He concluded by thanking Board members for their contributions and staff for their efforts during the previous year.

The Boards noted the Chief Executive's update report.

## **5. Business**

### For Approval – CGDL Only

#### **5.1 Olympia – Lease to Boxing Scotland – CG24(DEC)02**

Martin Joyce presented a paper which sought approval for the continued letting of the first floor at Olympia to Boxing Scotland Limited for their High Performance Centre.

Martin advised that, as the Board were aware, due to increased costs and operational issues Boxing Scotland had decided to end their lease at Olympia, however, following negotiations new lease terms had been proposed, and these were set out in the report.

It was noted that the 2 year extension provided some time to consider a future strategy for the use of the Olympia building.

During discussion it was suggested that the relationship required to be managed robustly in order to avoid a recurrence of the previous situation.

After consideration the Board of CGDL approved a variance to the existing lease to allow Boxing Scotland Limited to remain on amended terms for 2 years as an alternative to them ending their lease in December 2024, resulting in a financial benefit of ██████████ to Clyde Gateway Developments Limited.

#### **5.2 Red Tree Magenta – Lease Variation 2 – CG24(DEC)03**

Angela Rowley presented a report which sought approval to conclude a further lease variation transaction at Red Tree Magenta to accommodate tenant expansion within the building.

The Board was informed that this was seen as a very positive outcome as it allows the retention of Spiers Gumley as a tenant, while also retaining BRE within the CGDL estate.

After consideration the Board of CGDL approved to:

- i) Confirm formal landlord's consent to vary the existing Speirs Gumley lease to accommodate the company's expansion into the entire 2<sup>nd</sup> floor of the building, at an additional rental of £158,000 per annum, subject to a rent-free period equivalent to 6 months;
- ii) Grant a temporary licence for tenant's accommodation works; and
- iii) Pay landlord's legal fees estimated at £7,500 net of recoverable VAT.

### 5.3 Clyde Gateway East – Lease Agreement, Unit 202 – CG24(DEC)04

Angela Rowley presented a report which asked the Board to approve the leasing of Unit 202 at Clyde Gateway East to Turbine Services Limited (TSL) at an initial rental of [REDACTED] per annum for a term of 10 years subject to a tenant break at the expiry of year 5.

It was advised that Unit 202 was designed and marketed specifically for companies within the manufacturing and engineering sectors, with particular emphasis on High Value Manufacturing (HVM). The proposed occupation by TSL met with the letting aspirations for the property and Scottish Enterprise has confirmed the company meets the criteria for HVM.

After consideration the Board of CGDL approved:

- (i) The letting of Unit 202 at Colliery Road, Clyde Gateway East (CGE), to Turbine Services Limited at an initial annual rental of [REDACTED] for a lease term of 10 years, subject to a tenant only break option after 5 years;
- (ii) To grant a rent-free period of 6 months, commencing from the date of entry;
- (iii) To provide a landlord's contribution of [REDACTED] (No VAT) towards tenant's fitting out;
- (iv) To incur professional fees at an estimated cost of [REDACTED] plus recoverable VAT.

#### For Approval – Joint Business

### 5.4 NBD Shawfield update including UK Government Funding – CG24(DEC)05

Martin Joyce presented a paper which provided a further update in respect of the three NBD Shawfield Phase 2 projects which are being supported by a UK Government funding contribution of £14.6m, against total project costs of £20.7m, and advised of current concerns around UKG funding.

Martin noted that the meeting referred to between CG, South Lanarkshire Council and the UK Government had been held on 19 November and not 19 October as stated in the report.

He provided an update on the three project components and advised that the Shawfield testing element was slightly behind schedule, however, there was no impact on the overall programme at this stage.

There was some discussion around the work at Polmadie Burn and it was highlighted that further investigations would be required into the orphan pipe which had been discovered. This would focus on making a judgement on whether the intended remediation would have a worthwhile impact. It was assured that there was no contingency for further works and should this element not be viable then funds could be allocated against another component of the programme.

After consideration both Boards noted the positive progress being achieved in delivering the three projects against an overall approved project budget of £20.7m, noted the current concerns with regard to UKG funding, and approved the paper as part of the UKG governance process.

## 5.5 Innovation Platform Overview – CG24(DEC)06

Dougie Cameron presented a report which sought to progress the development of a Clyde Gateway 'Innovation Platform' concept to promote and market development opportunities across Shawfield and Dalmarnock, at both at the high-level masterplan scale as well as progressing specific pipeline capital projects.

The meeting was advised that the area had been designated an Innovation District in 2019, however, this had been a challenge to make a success of despite there being a good footprint of innovative businesses, and it was important that this was further developed. It was envisaged that the strengthening of relationships with Universities etc would assist with this.

It was noted that the main approach was to ensure that there was enough flexible commercial and business space provision to meet the demand of different companies.

The Board welcomed the decision to change the terminology, particularly in the context of the wider city region, although it was suggested that other titles be considered and in this regard it was noted that there was flexibility around the name and further consideration would be given to how this is marketed.

After consideration both Boards noted the content of the report, which had a total approval request of ██████ excluding recoverable VAT, and approved the following items:

- i) The appointment of a Project Manager to lead on the Innovation Platform masterplan development at a cost of up to ██████ excluding recoverable VAT and inclusive of all consultant services;
- ii) The Stage 3 review of the Red Tree Central project (Shawfield Phase 1) at a cost of up to ██████ excluding recoverable VAT; and
- iii) The review and redesign of the Technology Hub project (Shawfield Phase 1) to Stage 2 design up ██████ excluding recoverable VAT.

### For Information – Joint Business

## 5.6 Capital Programme Update – CG24(DEC)07

Jamie Shields presented a paper which provided the Boards with an update on the capital development programme, including projects at the pre-development stage.

Both Boards noted the contents of the report.

## 5.7 Finance Report to 30 November 2024 – CG24(DEC)08

Bernadette Pollock presented a paper which provided an overview of financial activity for the 9 months to 30 November 2024.

Both Boards noted the contents of the report.

## 5.8 Director's Responsibilities and Articles of Association – CG24(DEC)09

Allan Drysdale presented a report which reminded Board Members of their responsibilities as Company Directors, and in the case of Clyde Gateway URC, as Charity Trustees, and asked them to note the current Articles of Association of both companies.

Both Boards noted the information provided in relation to Director's responsibilities and the Articles of Association.

For Information – CGURC Only

5.9 CGDL Board Meeting 25 October 2024 – GG24(DEC)10

Allan Drysdale presented a report which provided agenda and minute of the CGDL Board meeting held on 25 October 2024 for information.

The Board noted the contents of the paper.

**6. Any Other Business**

Martin McKay informed the meeting that Derek McCrindle of Scottish Enterprise, was retiring at the end of December and that he would therefore no longer be a Director of CGDL. The Board wished him all the best and expressed thanks for his contribution to Clyde Gateway.

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

The Board noted that the next meetings would be held on Friday 28 February 2025 in the Olympia, Bridgeton Cross, with Clyde Gateway Developments Limited taking place at 1.00pm and Clyde Gateway URC at 2.30pm.

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