

MEETING OF CLYDE GATEWAY DEVELOPMENTS LIMITED

Minutes of Meeting of 30 August 2024

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

Apologies: None

In attendance: Alison Brown (South Lanarkshire Council) *
Dougie Cameron (Clyde Gateway)
Rowan Carmichael (Clyde Gateway)
Allan Drysdale (Clyde Gateway)
Louise McCormack (Clyde Gateway)
Hugh Moore (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

John Gallacher welcomed those present to the meeting and it was noted that no apologies had been received. There were no declarations of interest made.

2. Minutes of previous meeting and any matters arising

The Minutes of the Joint Board meeting held on 8 July 2024 were submitted and approved.

3. Chief Executive's Report

Martin McKay gave a verbal report during which he:

- Reported on a meeting with the recently elected MP for Glasgow East, John Grady, which covered opportunities and challenges within the local area, and also mentioned that he'd met with Michael Shanks MP to discuss similar issues as well as Shawfield.
- Advised that engagement with Scottish Government officials continued to take place, particularly around funding, recognising that it was anticipated there would be budget cuts across a number of areas of activity.
- Mentioned that he'd given a presentation on the work of Clyde Gateway to the Planning, Infrastructure and Place Advisory Group (PIPAG) which had been formed to deliver the recommendations of the National Planning Framework 4.
- Informed the Board of a meeting with Glasgow City Council and Housing Associations to discuss provision and challenges within the local area.

- Reported that he had recently joined the Scottish Property Federation's Policy Committee to provide some balance from a public sector viewpoint and advise around community benefits etc.
- Advised that the level of enquiries across the property portfolio remained strong, particularly with regard to EastWorks.
- Looked ahead to a number of events being planned in the coming months which included a visit from the Deputy First Minister in November, meeting with the Minister for Employment and Investment on the D2 Grids project, and an event to mark breaking ground on the UK Government funded Shawfield development.

The Board noted the verbal update by the Chief Executive.

4. Business

For Approval

4.1 CGDL Financial Statements to 31 March 2024 – CGDL24(AUG)01

Martin McKay introduced this item, thanking the Finance Team for their work in delivering the Financial Statements and noting that this was the first since a new team structure was in place. He was pleased to report that a clean audit had been achieved and that there was a healthy asset base and cash reserves.

Bernadette Pollock provided more detail on the financial statements of Clyde Gateway Developments Limited (CGDL) for the year ended 31 March 2024. noting that these had been considered and approved by the Audit & Evaluation Committee at its meeting on 16 August.

The meeting was advised that the external auditors had issued an unqualified audit opinion in respect of CGDL's annual accounts for 2023/24, that they reflected a true and fair view and that preparing the accounts on a going concern basis was appropriate.

Bernadette covered some of the key sections of the financial statements, including directors report, business activity, KPIs, group structure, key risks, and pension scheme.

CGDL for the first time since 2015/16 recorded a loss primarily due to impairment loss on fixed assets and revaluation loss on investment properties. These adjustments reflect valuation of assets at the year end date and may change in future.

In respect of Gift Aid the meeting was informed that as there was no taxable profits no corporation tax would be due this year and therefore there would be no Gift Aid required.

After consideration the Board approved the financial statements for Clyde Gateway Developments Limited.

4.2 NBD Shawfield update including UKG Funding – CGDL24(AUG)02

Jamie Shields presented a report which provided a further interim update, from CG24(JUL)02, in respect of the three NBD Shawfield Phase 2 projects which are being supported by a UK Government funding contribution of £14.6m, against a total project cost of £20.7m.

The paper set out the progress on the three project components, these being Shawfield Phase 2 Remediation, Shawfield Grid Campus and Polmadie Burn.

Discussion on the item centred around the delay to the draw down of funding, and that other available resources were being used for payments in the interim. The Board recognised that there existed an element of risk, however, at this stage it was felt to be relatively low.

After consideration the Board noted the positive progress being achieved by the three projects against an overall approved project budget of £20.7m and approved the paper as part of the UKG governance process.

4.3 NBD Shawfield – Environmental Quality & Resilience – CGDL24(AUG)03

Angela Rowley presented a paper which provided details of a successful award of £3.8m from the Scottish Government and requested that the Board delegate approval for the related governance arrangements.

After consideration the Board noted that a grant award of £3.8m has been made from the Scottish Government in respect of the National Business District Shawfield and approved to delegate authority to the Chief Executive to administer these additional funds.

4.4 Biodiversity Action Plan – CGDL24(AUG)04

Rowan Carmichael presented a paper which outlined the scope for Clyde Gateway's Biodiversity Action Plan and sought approval for a spend of up to [REDACTED] to appoint a consultancy team to prepare and progress the Biodiversity Action Plan.

After consideration the Board noted the contents of the paper and approved a spend of up to [REDACTED] (inc. irrecoverable VAT) to appoint a multi-disciplinary consultancy team to prepare and progress the proposed Biodiversity Action Plan.

For information

4.5 Transition to Net Zero Action Plan update – CGDL24(AUG)05

Niki Spence presented a paper which provided the Board with an update on work over the past 12 months to develop and implement an ambitious Transition to Net Zero (TNZ) action plan which will respond to Scotland's target to achieve net zero greenhouse gas emissions by 2045 and reflected the need to approach this transition in a fair, inclusive and collaborative manner.

After consideration the Board:

- i) noted the contents of the paper;
- ii) endorsed the proposed policy statement at section 4.2 of the paper;
- iii) endorsed the TNZ Priority Action Plan for 2024/25 noting the full action plan will continue to be progressed as appropriate; and
- iv) noted that the Community Committee will further consider the TNZ action plan at its October 2024 meeting.

4.6 Energy Project Board update – CGDL24(AUG)06

Dougie Cameron presented a report which provided an update on the various activities and workstreams currently being progressed by the Clyde Gateway Energy Project Board.

After consideration the Board noted the update and overview of current projects, funding sources and items that the Clyde Gateway Energy Project Board is managing throughout 2024/25.

4.7 SWH Dalmarnock Energy Centre Disposal – CGDL24(AUG)07

Dougie Cameron presented a paper which provided the Board with an update on the proposed sale and disposal of the energy centre at Dalmarnock Waste Water Treatment Works (WWTW) by Scottish Water Horizons (SWH).

After consideration the Board noted progress with the sale of the energy centre by SWH and that a further report will be provided to the Board later in the year informing of any further activities.

4.8 Capital Programme Update – CGDL24(AUG)08

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

Specific project updates were provided in relation to Clyde Gateway East, Manscroft Place Soil Relocation, Shawfield Gateway, Dalmarnock RED and Plot 9 in Dalmarnock (Pocket Park).

After consideration the Board noted the contents of the report.

4.9 Finance Report – Period Ended 31 July 2024 – CGDL24(AUG)09

Bernadette Pollock presented a paper which provided an overview of financial activity for the year to 31 July 2024. It was advised that the figures were draft and still subject to any year-end audit amendments.

After consideration the Board noted the contents of the report.

4.10 Audit & Evaluation Committee - Annual Report – CGDL24(AUG)10

David Bankier, as Chair of the Audit & Evaluation Committee, presented his Annual Report which provided a summary of the Audit work performed over the preceding twelve months.

After consideration the Board noted the Audit & Evaluation Committee Annual 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 25 October 2024 at 1:00pm, in the Olympia, Bridgeton Cross.
