

MEETING OF CLYDE GATEWAY URC

Minute of Board Meeting of 4 September 2019

Present: Councillor John Anderson, Chair
Ian Manson, Chief Executive
Councillor Greg Hepburn, Glasgow City Council
Councillor Carol Nugent, South Lanarkshire Council
Allan McQuade, Scottish Enterprise
Stuart Patrick, Glasgow Business Representative
Anne Clyde, South Lanarkshire Business Representative
Robert McLeary, South Lanarkshire Community Representative

Apologies: Councillor Mandy Morgan, Glasgow City Council
Jim Watson, Scottish Enterprise
Rosie Robertson, Glasgow Community Representative

In attendance: Lord Smith of Kelvin
Alison Brown, Clyde Gateway
Jim Clark, Clyde Gateway
Pauline Elliott, South Lanarkshire Council
Lesley-Ann Logan, Clyde Gateway
Billy Love, Scottish Government
Barry Macintyre, Clyde Gateway
Martin McKay, Clyde Gateway
Angela Rowley, Clyde Gateway
Donna Brand (Minutes)

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

Ian Manson welcomed everyone to the meeting. He advised that Lord Smith had been offered and accepted the position as Chair of Scottish Enterprise, and as a consequence was required to step down from his role as the independent chair of Clyde Gateway URC.

On behalf of the Board and staff, Ian thanked Lord Smith, paying tribute to his hard work and efforts on behalf of Clyde Gateway URC since April 2015 and wishing him well in his new role. In reply, Lord Smith thanked Ian for his remarks and stated that he had enjoyed his time with Clyde Gateway URC and was pleased that he had been able to assist with such a highly impressive and ambitious transformation of the local communities.

Ian informed the Board that the search for the successor to Lord Smith was already underway, with it being anticipated that a new appointment would be announced in early 2020. In the meantime, the post of chair would be temporarily filled by the two existing vice-chairs, Greg Hepburn and Councillor John Anderson, with the latter chairing the remainder of the meeting.

Apologies were noted from Councillor Mandy Morgan, Jim Watson and Rosie Robertson.

There were no declarations of interest.

2. Minutes of previous meeting and matters arising

The Minutes of the previous Board meeting of Clyde Gateway URC held on 25 June 2019 were submitted and approved. There were no matters arising.

3. Chairman's Report

There was no report from the Chair.

4. Chief Executive's Report

Ian Manson provided the following update:

- (1) re-affirmed that the search for the new, independent Chair is underway and that he would welcome suggestions from the Board;
- (2) whilst the company did not have the resources to routinely respond to the many consultation exercises underway, a special effort had been made to submit comments in respect of the new Infrastructure Commission, Climate Emergency and Health Inequalities, drawing on the experience gained in the area in respect of these matters;
- (3) in one of his last acts prior to standing down, Lord Smith had participated in the ground-breaking event for the Rutherglen Links pavilions
- (4) Councillor John Ross, the Leader of South Lanarkshire Council, had officially opened Red Tree Magenta;
- (5) the funding gap identified with the STUC project remained under wider discussion but, in the meantime, the option of identifying company resources to enable the project to proceed had been implemented;
- (6) the Board papers for Clyde Gateway Developments Limited included proposals which would lead to the entire space at the Albus building being fully let – a major milestone for the company. It also marked the significant partnership working underway in Clyde Gateway, with tenants benefitting from Scottish Enterprise and UK Steel investments support; and
- (7) the Programme for Government (PfG) included a welcome commitment to continued support for Clyde Gateway and, as part of the Green New Deal, the announcement of Clyde Gateway as Scotland's first Green Regeneration Innovation District, positioning the environmental programme as a central part of the Scottish Government's Climate Emergency response.

5. Business

For approval

5.1 Consolidated Financial Statements Year Ended 31 March 2019 (CG19(SEP)01)

Lesley-Ann Logan presented a report seeking approval of Clyde Gateway URC's consolidated accounts for the year ended 31 March 2019 and the Director's Letter of Representation to the external auditors. She advised that the accounts had been considered at the Audit & Evaluation Committee on 12 August 2019.

After consideration, the Board:

- (1) approved
 - (a) the consolidated financial statements of Clyde Gateway URC for the year ended 31 March 2019; and

(b) the Letter of Representation from the directors of CGURC to the external auditor, Scott-Moncrieff; and

(2) noted the financial statements of Clyde Gateway Developments Limited for the year ended 31 March 2019.

5.2 Integrated Energy Strategy – Community Energy Project (CG19(SEP)02)

With reference to the minutes of the Board meeting in June 2019 (CG19(JUN)01) when the Board noted that the project business case covering the system installation, its operating model and risks would be brought for an investment decision and approval in September, Martin McKay presented a report regarding the current status of the community energy project being undertaken with Scottish Water Horizons and seeking approval for the establishment of a new subsidiary company of Clyde Gateway URC.

After consideration, and having heard Martin setting out the key elements and assumptions of the financial model which had been used to forecast this project's viability, the Board

(1) noted progress on the Community Energy Project (CEP) which would be developed in partnership with Scottish Water Horizons at Dalmarnock; and

(2) approved the establishment of a wholly owned subsidiary of Clyde Gateway URC into which delivery and operation of the CEP's district heating network would ultimately be assigned from Clyde Gateway Developments Limited, and that this matter would also require Members' approval.

5.3 Articles of Association – Addition to Charity Objects Clause – CG19(SEP)03)

Barry Macintyre presented a report seeking approval to add additional wording on environmental protection and climate change to Clyde Gateway URC's charitable objects.

Barry explained that the increased interest in initiatives and projects which were directed toward protection of the environment with a particular focus on addressing the issues associated with climate change, now made it appropriate for Clyde Gateway URC to recognise the significance of these aims within the objects clause of its Articles of Association by introducing an additional charitable purpose.

After consideration, the Board

(1) approved an amendment to the objects clause within the Articles of Association of CGURC to include an additional paragraph covering protection of the environment and addressing climate change; and

(2) noted this proposed amendment also required approval from CGURC's 3 members and from the Office of the Scottish Charity Regulator.

5.4 Treasury Management – Bank Deposit Account (CG19(SEP)04)

Lesley-Ann Logan presented a report seeking approval to open two additional bank deposit accounts, with a 35 day notice period, with the Royal Bank of Scotland for Clyde Gateway URC and its subsidiary, Clyde Gateway Developments Limited, which would increase the level of bank interest currently being generated whilst maintaining timely access to funds.

After consideration, the Board approved the opening of these two additional bank deposit accounts for Clyde Gateway URC and Clyde Gateway Developments Limited.

For information

5.5 Integrated Energy Strategy – BGS Observatory (CG19(SEP)05)

The Board noted a report by Alison Brown regarding the ongoing progress of the UK Geoenery Observatories project within the Clyde Gateway area, of which British Geological Survey was a shareholder.

The report advised that the project was regarded as a potential key element of the Clyde Gateway Integrated Energy Strategy, which aimed to deliver local energy initiatives, through collaborative working, that would in due course link the generation, supply and management of energy to the benefit of residents and businesses across the Clyde Gateway, and how the £9m investment in the project would contribute to Clyde Gateway's key performance indicators.

5.6 National Business District, Shawfield (Phase 2) – Project Update (CG19(SEP)06)

The Board noted a report by Alison Brown regarding progress on the various works packages at Phase 2 of the National Business District, Shawfield, which was delivery of the Shawfield Development Link Road.

Alison provided background and description of both work packages, which would create transformational change through infrastructure that would facilitate private sector investment and mark an important step in redefining and reinforcing Shawfield as a business location, and advised of the updated key dates schedule for both work packages.

5.7 Capital Programme – Projects Update (CG19(SEP)07)

Alison Brown presented a report briefing the Board on the 2019/20 Capital Programme, providing further details on the 25 capital projects comprising 3 completed during 2019/20, 2 currently on site, 12 at feasibility/design development stage, and 8 projects which were anticipated to commence on site during 2019.

After consideration, the Board noted the report.

5.8 Finance Report – Period Ended 31 July 2019 (CG19(SEP)08)

Lesley-Ann Logan presented a report outlining the consolidated financial performance of both Clyde Gateway URC (CGURC) and Clyde Gateway Developments Limited (CGDL) for the 4 month period to 31 July 2019.

After consideration, the Board noted

- (1) the consolidated financial performance of both CGURC and CGDL for the 4 month period ended 31 July 2019; and
- (2) updates to the approved Funded Operating Plan to reflect budget approvals since the Plan was approved in March.

5.9 Audit & Evaluation Committee – Meeting of 12 August 2019 (CG19(SEP)09)

The Board noted the Agenda and Minutes of the Audit & Evaluation Committee of 12 August 2019.

5.10 Audit & Evaluation Committee – Annual Report 2018/19 (CG19(SEP)10)

The Board noted the Audit & Evaluation Committee's 2018/19 Annual Report.

5.11 Health & Safety Committee – Annual Report (CG19(SEP)11)

The Board noted the Health & Safety Committee's 2018/19 Annual Report.

5.12 CGDL Board – Meeting of 25 June 2019 (CG19(SEP)12)

The Board noted the Agenda and Minutes of the Clyde Gateway Developments Limited Board meeting of 25 June 2019.

6. Date, time and venue of next meeting

The next meeting was scheduled for Wednesday 30 October 2019 at 10:30 am in Rutherglen Town Hall, but was now required to be rescheduled due to the unavailability of some Board members.
