

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

Minute of Meeting of 18 December 2019

Present: John Gallacher, Clyde Gateway Developments Limited, Chair
Ian Manson, Chief Executive
Councillor Greg Hepburn, Glasgow City Council
Councillor John Anderson, South Lanarkshire Council
Alan McQuade, Scottish Enterprise
Stuart Patrick, Glasgow Business Representative
Robert McLeary, South Lanarkshire Community Representative
David Bankier, Clyde Gateway Developments Limited

Apologies: Councillor Mandy Morgan, Glasgow City Council
Councillor Carol Nugent, South Lanarkshire Council
Jim Watson, Scottish Enterprise

In attendance: Fiona Brittle, Scottish Government
Alison Brown, Clyde Gateway
Jim Clark, Clyde Gateway
Claire Ferguson, Clyde Gateway
Lesley-Ann Logan, Clyde Gateway
Barry Macintyre, Clyde Gateway
Martin McKay, Clyde Gateway
Natalie Phillips, Clyde Gateway
Donna Brand (Minutes)

1. Board appointments CG19(DEC)01

Ian Manson advised that at the Annual General Meeting (AGM) of Clyde Gateway URC (CGURC) held immediately prior to the Board meeting, the following directors had stepped down as co-opted members – Robert McLeary, Stuart Patrick and Rosie Robertson. The Board then approved their reappointments along with that of Councillor John Anderson and Councillor Greg Hepburn as Vice Chairs.

The AGM had also noted the resignation of Anne Clyde from the CGURC Board. Ian thanked Anne for her major contribution during the period she had served. The position of South Lanarkshire Business Representative remained unfilled at present.

Ian further advised that, following consultation with each of the partners, the role of the chair of CGURC was to be taken up by Alison Thewliss, the Member of Parliament for the Glasgow Central constituency. Alison was very familiar with the work of Clyde Gateway, dating back to her previous position as a councillor for the Calton ward and, since becoming an MP, had spoken in the house and in public forums in support of Clyde Gateway's achievements and its on-going work, particularly around the efforts to address contamination issues.

It was likely that the availability of the new chair would have an impact on the dates and arrangements for future Board Meetings and that these would be communicated at the meeting scheduled for 4 March 2020.

After consideration, the Board approved the appointment/re-appointment of directors as set out in Appendix 1 of the report.

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

John Gallacher chaired the meeting. He welcomed everyone to the joint Board meeting of CGURC and Clyde Gateway Developments Limited (CGDL) and, in particular, Fiona Brittle from Scottish Government, who was attending for the first time.

Apologies were noted from Councillor Mandy Morgan, Councillor Carol Nugent and Jim Watson.

There were no declarations of interest.

3. Minutes of previous meeting and matters arising.

The Minutes of the previous meeting of Clyde Gateway URC, held on 7 November 2019 were submitted and approved. There were no matters arising.

4. Chief Executive's Report

Ian Manson provided the following update:

- (1) the CGDL Board earlier in the day had given approval to the sale of the three remaining development plots at Clyde Gateway East business park and that this marked the final phase of what had been a planned phased exit from the heritable interests within the property;
- (2) the on-going remediation work at Shawfield was continuing to be a challenge, both in terms of technical issues and costs, and an increase in budget had been authorised;
- (3) the Full Operating Plan, which was on the agenda for consideration later in the meeting, was the first to be brought to the Board incorporating financial year 2022/23, the significance being that it projected beyond the life-period for the existing Scottish Parliament for which the Scottish Government had agreed to commit funding. Clyde Gateway would continue to make a case, based on past achievements and having realistic and sustainable future plans, for continued core funding to government officials and senior politicians.
- (4) progress was being achieved in terms of an integrated energy strategy and the provision of green energy with a detailed report being brought before the joint board later in the day to which a number of key recommendations around investment were being suggested; and
- (5) the joint board would, later on the agenda, receive a report that provided considerable detail on the different ways that Clyde Gateway was making substantial progress in increasing educational attainment, with this going well beyond classroom activities and covering parental engagement and vocational learning among other activities.

5. Business

For approval (CGURC and CGDL)

5.1 Full Operating Plan – 2020/21 to 2022/23 (CG19(DEC)02)

Barry Macintyre presented a report setting out Clyde Gateway's further regeneration initiatives to be taken forward over the next 3 financial years on the assumption that existing grant funding levels were maintained.

Barry advised on the programme of new regeneration activity that could be delivered in addition to that already committed or intended within the latest version of the Funded Operating Plan should the current 2019/20 levels of grant funding be maintained during the next 3 financial years until 2022/23, as detailed at Appendix 1 of the report.

After consideration, the joint board

- (1) approved the latest version of the Full Operating Plan spanning the 3 financial years until 2022/23;
- (2) noted that a meeting had been scheduled for late January with Scottish Enterprise representatives regarding challenges facing Clyde Gateway and the required support going into future years; and
- (3) requested that a report be prepared in respect of possible ways and the impact of revenue costs for various projects being attributed to capital funding.

5.2 Integrated Energy Strategy: Community Energy Project, Dalmarnock CG19(DEC)03

Martin McKay presented a report seeking approval for capital investment to be made to deliver the proposed £6.2m community energy project at Dalmarnock in conjunction with Scottish Water Horizons (SWH), together with the associated revenue costs, the requirement to enter into a Heat Supply Agreement with SWH for the long term operation and management of the district heating scheme and a range of ownership and governance issues, also associated with the longer-term.

Martin outlined the project description and the total project cost as detailed in the report.

After detailed consideration, the joint board, in noting that further discussions with the Members would be required in relation to a series of ownership, governance and heat supply arrangements, approved:-

- (a) a total capital expenditure budget of £3.1m (net of recoverable VAT) which would be part funded by a Scottish Power Energy Networks (SPEN) grant of £2.1m of which £1.2m would be routed by Clyde Gateway Developments Limited to SWH for its released capital works in a back-to-back agreement;
- (b) the appointment of the preferred contractor, Vital Holdings Limited, at a cost of £1,335,215 (net of recoverable VAT) for the installation of the district heating network;
- (c) the continued appointment of MACE for project management and design team services at a cost of £126,291 (net of recoverable VAT) for RIBA stages 4-7 to complete the project;
- (d) entering into a 25 year Heat Supply Agreement (HSA) with SWH incorporating the back-to-back agreement for the SPEN grant allocation of £1.2m; and
- (e) revenue expenditure of up to £400,000 (excluding recoverable VAT) commencing financial year 2021/22 until the operation is forecast to break even.

5.3 Infrastructure, Recreation and Active Travel – Toryglen Park (CG19(DEC)04)

Alison Brown presented a report providing an update on the progress of a project to deliver new infrastructure, path networks and play facilities at Toryglen Park and seeking to increase the total project budget by £50,000 from £272,193 to £322,193 (including irrecoverable VAT) for pre-construction costs of £44,400 including irrecoverable VAT, and for the secondment of a Community Engagement Manager and Ecology Advisor from Urban Roots to Clyde Gateway URC at a cost of £5,600 (including irrecoverable VAT) to end of March 2020.

Alison outlined the project description, together with the strategic rationale, market, options and financial appraisals, including the previously approved expenditure and various funding sources.

After consideration, the joint board

- (1) noted the progress of the Toryglen Park project; and
- (2) approved
 - (a) the increase of the total project budget by £50,000 from £272,193 to £322,193 (all including irrecoverable VAT) for pre-construction costs of £44,400 including irrecoverable VAT); and
 - (b) the secondment of a Community Engagement Manager and Ecology Advisor from Urban Roots to CGURC at a cost of £5,600 including irrecoverable VAT to end of March 2020.

For information (CGURC and CGDL)

5.4 Integrated Energy Strategy – SHRC Highlands Limited (CG19(DEC)05)

Barry Macintyre presented a report informing the joint board about the administration of SHARC Highlands Limited (SHL), and the liquidation of its parent company, SHARC Energy Limited (SEL), together with the mitigating actions taken in respect of a project that had been under development on a site in CGDL's ownership in Dalmarnock.

After consideration the joint board noted the report and the intention that they would be kept advised of progress.

5.5 Purifier Studios, Dalmarnock – project update (CG19(DEC)06)

Alison Brown presented a report on the progress of the Purifier Studios project in Dalmarnock which had secured £2m Regeneration Capital Grant Funding from the 2019/20 programme.

Alison provided details of the project including a summary of CGDL's investment in the buildings to date and the funding breakdown as set out in the RCGF submission in the tables included in the report.

After consideration, the joint board noted the progress of the project and that an investment decision would be sought from the next meeting of the CGDL Board in March 2020, following the conclusion of the contractor procurement exercise.

5.6 Cuningar Loop Woodland Park (Phase 2) – Project Update (CG19(DEC)07)

Alison Brown presented a report on the progress of the Cuningar Loop Woodland Park (phase 2) project.

After consideration, the joint board noted the report.

5.7 2019/20 Capital Programme Update (CG19(DEC)08)

Alison Brown presented a report on the delivery and completion of projects in the 2019/20 Capital Programme. The overall programme comprised twenty-two projects of which four were completed, three were on site and fifteen were at the pre-development or feasibility stage.

After consideration, the joint board noted the report.

5.8 Finance Report – Period Ended 30 November 2019 (CG19(DEC)09)

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 8 month period to 30 November 2019.

After consideration, the joint board noted

- (1) the consolidated financial performance of both CGURC and CGDL for the 8 month period ended 30 November 2019; and
- (2) updates to the approved Funded Operating Plan to reflect budget approvals since the Plan was approved in November.

David Bankier and John Gallacher left the meeting and Councillor John Anderson assumed the Chair.

For information (CGURC only)

5.9 Increasing Educational Attainment – Overview (CG19(DEC)10)

Natalie Phillips presented a report providing an overview of Clyde Gateway's contribution to increase educational attainment, from early learning to in-work support for Clyde Gateway's residents and families. All activity in this area was additional to statutory educational opportunities, with a focus on increasing skills, raising attainment and educational levels.

Natalie also highlighted the details and specific impacts of a number of the live projects which had been undertaken, including Supporting Families in Clyde Gateway, the Childminding Project, Gateway to Engineering and the Pupil Equity Fund.

After consideration, the Board noted

- (1) the content of the report and endorsed Clyde Gateway's continued focus on increasing educational attainment across early years, primary and secondary schools, further and higher education, and in-work support;
- (2) that further updates would be provided in due course; and
- (3) thanked and congratulated Natalie for continued success in this area of activity, which was one of the key strands in delivering social and economic regeneration across Clyde Gateway. .

5.10 CGDL Board – Meeting of 30 October 2019 (CG19(DEC)11)

The Board noted the Agenda and Minutes of the CGDL Board meeting of 30 October 2019.

5.11 Health & Safety Committee – Meeting of 12 December 2019 (CG19(DEC)12)

The Board noted the Agenda of the Health & Safety Committee of 12 December 2019.

5.12 Board Meeting Dates 2020 (CG19(DEC)13)

Jim Clark presented a report advising the Board that the 2020 meeting dates, which had been previously been agreed at the Board meeting of 7 November 2019 (CG19(DEC)15), would now require to be revisited in consultation with the new Chair and other Board members.

The Board noted that a report would be brought forward to the next meeting.

6. Date, time and venue of next meeting.

The next scheduled meeting will be held on Wednesday 4th March 2020 at 10.30am in Rutherglen Town Hall.
