



Glasgow City Council
City Administration Committee

Item 3

26th January 2023

Report by George Gillespie, Executive Director of
Neighbourhoods, Regeneration and Sustainability

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**CITY DEAL CLYDE WATERFRONT AND WEST END INNOVATION
QUARTER – WINDMILLCROFT QUAY**

Purpose of Report:

To update Members on the progress of the Windmillcroft Quay project and to seek approval to enter into a Formal Agreement to secure third party contributions.

Recommendations:

It is recommended that Committee:

- a) notes the contents of this report;
- b) approves the outcome of the commercial negotiations and the conclusion of a Formal Agreement with Speirs Gumley Property Management to progress the quay wall project; and
- c) notes that a procurement procedure will now commence for the works and other associated contracts.

Ward No(s): 5

Citywide:

Local member(s) advised: Yes No consulted: Yes No

PLEASE NOTE THE FOLLOWING:

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1.0 Introduction

- 1.1 The City Deal: Clyde Waterfront and West End Innovation Quarter (CWWEIQ) project aims to regenerate the river corridor as a desirable urban quarter that attracts jobs, investment and contributes to regional economic growth.
- 1.2 Capital investment of approximately £50M was allocated from the City Deal Infrastructure Investment Programme to secure the integrity of the Waterfront, consolidate the Quay Walls and activate the area. This funding will be used to address structural integrity, enhance connectivity, and improve place quality at the river edge in accordance with the River Park, which is integral to the River Clyde Strategic Development Framework.
- 1.3 In June 2018 the Council invited Expressions of Interest (EOI) from third parties seeking funds for essential quay wall works. A [report](#) was approved by City Administration Committee on 27th September 2018 of a shortlist of applicants, including Windmillcroft Quay.
- 1.4 On 21st May 2020, a [report](#) was approved by Committee which advised on the principles of the proposed financial contributions from the co-owners of the waterfront development at Windmillcroft Quay together with a third-party contributor.
- 1.5 This report provides an update on the outcome of these commercial negotiations.

2.0 Contribution Amount

- 2.1 The financial offer from the co-owners of the waterfront development remains as reported in May 2020, with the following sums:
 - a) An offer of **£5,000 per property**; a total co-owner's contribution of £1,390,000.00 (*£5,000 x 278 properties*)
 - b) A further offer of **£750,000**, through their commercial negotiations with a third-party contributor.
- 2.2 As Property Manager for the waterfront development, Speirs Gumley Property Management is responsible for collecting £2,140,000 (from the co-owners and the third-party contributor) and thereafter will pass all sums collected to the Council prior to the award of the future works contract. All contributions are to be held in dedicated bank accounts held by Spiers Gumley and their solicitor, until such times as payment is due.

3.0 Commercial negotiations

- 3.1 The Property Manager acts as agent for the co-owners in all commercial negotiations with the Council and is the signatory for the associated legal agreement.
- 3.2 A Head of Terms agreement between the Property Manager and the Council has been signed by both parties. This document sets out the principal terms and conditions of agreement between the parties.
- 3.3 The Heads of Term is a precursor to a more detailed legally binding agreement governing the financial contribution to the Project (the Formal Agreement) to be entered into by the parties. The terms of the Formal Agreement have been agreed in principle between the parties.

4.0 Contributions collected

- 4.1 In reference to the sum noted in Item 2.1 (a), the total amount of £1,390,000.00 has been collected by the Property Manager.
- 4.2 In January 2023, the Property Manager confirmed that the £750,000 contribution noted in the co-owners financial offer from the third-party is now secured and shall be transferred to the Property Manager's solicitors pending payment to the Council.

5.0 Technical programme

- 5.1 The project is currently fully designed with a planning application for the proposed project having been submitted in November 2022. [Application Reference 22/02837/FUL](#). Engagement is ongoing with statutory stakeholders.
- 5.2 A procurement procedure will commence early 2023 with a contract award for the works targeted for Autumn 2023 and works commencing early 2024. It is estimated that the works programme itself will be approximately two years.

6.0 Policy and Resource Implications

Resource Implications:

Financial: The capital investment proposed in this report will be met through funds secured via Glasgow City Region City Deal

Legal: Formal Agreement will be subject to legal advice from the Director of Legal and Administration, with specialist support procured as necessary.

Personnel: Works required to progress the matters outlined in this report will be addressed by existing Council staff resource with specialist support procured as necessary.

Procurement: All works and services will be procured in line with existing standing orders.

Council Strategic Plan: Grand Challenge 1 - Reduce poverty and inequality in our communities
Mission - Support Glasgow to be a city that is active and culturally vibrant.

Grand Challenge 3 - Fight the climate emergency in a just transition to a net zero Glasgow
Mission - Become a net zero carbon city by 2030.

Grand Challenge 4 - Enable staff to deliver essential services in a sustainable, innovative and efficient way for our communities
Mission - Create safe, clean and thriving neighbourhoods.

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25? Please specify. No Specific outcome.

What are the potential equality impacts as a result of this report? No significant impact.

Please highlight if the policy/proposal will help address socio-economic disadvantage. No Specific outcome.

Climate Impacts:

Does the proposal support any Climate Climate Plan Theme 3 - Well Connected and Thriving City. Support decarbonisation of

Plan actions? Please specify: transport systems by helping to improve infrastructure for walking, cycling, wheeling

What are the potential climate impacts as a result of this proposal? This project will maintain the structural integrity of the city's waterfront, ensure the local area's resistance to impacts of climate change, contribute to development of a compact city form and enhance active travel in the area.

Will the proposal contribute to Glasgow's net zero carbon target? The project supports Action 51 in the Climate Plan to deliver a comprehensive active travel network in the city and Core Path network. This shall be secured with the proposal.

Privacy and Data Protection Impacts:

Are there any potential data protection impacts as a result of this report
Y/N No - there are no Privacy or Data Protection matters associated with this report.

If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out. N/A

7.0 Recommendations

It is recommended that Committee:

- a) notes the contents of this report;
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- c) notes that a procurement procedure will now commence for the works and other associated contracts.