

City Deal Innovation project - Proposed future governance arrangements – Position agreed etc.

10 In terms of Standing Order No 7(c), as a matter of urgency, there was submitted a report by the Director of Regional Economic Growth notifying the Cabinet of the imminent change in control of the company that owns and operates one of the City Deal Innovation projects, advising

- (1) of the background to the project, including the capital grant awarded, the conditions attached to the grant, the wider funding package and the significant achievements of the project over the 5-year monitoring period, all as detailed in the report; and
- (2) of a commercial opportunity that had arisen for the company operating the project and of the legal and financial implications both for the project and for the City Deal, including issues that had still to be resolved.

After consideration, the Cabinet, having considered the implications, wider economic benefits of the proposal and value-for-money for the public purse,

- (a) noted
 - (i) the imminent change in control of the company that delivered the innovation project supported through the Glasgow City Region (GCR) City Deal;
 - (ii) the plans for future investment in the facility by the new owners; and
 - (iii) the legal advice that had been provided to Glasgow City Council in its role as Lead Authority for GCR and as the body that awarded the capital grant on behalf of GCR;
- (b) agreed that the Chief Executives' Group be given delegated authority to terminate the existing grant agreement between GCC and the project owner, subject to financial and/or legal implications to Glasgow City Council being addressed, and thereby waiving the claim to 50% of net sale proceeds and concluding the existing governance arrangements with regard to the project; and
- (c) noted that a report on all 3 Innovation projects would be submitted to the next meeting of this Cabinet.