

Development Partner of Choice



hub

South West Scotland



AnnualReport

2019 - 2020



£507m
open and operational



£158m
in construction



£468m
in development



£203M
of work packages
awarded within territory



518
JOBS
created



634
TRAINING
OPPORTUNITIES
through hubSW projects



209
NETWORKING EVENTS
to engage local SME's



428
WORK EXPERIENCE
placements



100
APPRENTICE
completions



209
SUPPLY CHAIN
development workshops



405
EDUCATIONAL
activities



159
COMPANIES
involved with
local training &
employment initiatives

Contents

Dumfries Learning Town - The Bridge

2 - 3	Welcome
4 - 7	A Year in Review
8 - 9	Territory Partnering Board
10 - 15	Our Communities
16 - 21	Developing the Pipeline
22 - 23	Looking Forward
24 - 25	Financial Statement

Participants





North West Campus

As Chairman of hub South West Scotland Limited, I welcome this opportunity to introduce our Annual Report for 2019/20.

As I write, we live in exceptional and challenging times.

The year to March 2020 however, was another successful period of innovation and diversification for our business, with much of the continued progress and performance a testament to the partnership working between hub South West and our network of members and collaborators.

As the business enters its eighth year of operation, hub South West is now at the heart of the delivery of high-quality public infrastructure that continues to enhance and serve communities across the region.

During the last seven years hub South West has delivered over £500m of projects throughout South West Scotland, spanning the economically critical sectors of Education, Healthcare, Early Years, Leisure, Office Space and more recently, Housing.

The variety and track record that characterises hub South West's development of its portfolio since inception in late 2012 is a credit to its ability to adapt and to tailor its approach to clients and communities, consistently broadening the range of potential projects and supporting both our Participants' strategic vision and their ability to deliver first class solutions and benefits to our communities.

Scotland's South West is rich in having ambitious companies across the construction industry and its related trades that are eager to take on increasing volumes of business in a sustainable manner.



Quarry Road

hub South West has recognised this ambition and has worked tirelessly to create and adapt bespoke and creative programmes which seek not only to engage as many local businesses as possible but also to increase their capacity and potential to take on hub projects.

The initiatives undertaken through hub South West's Supply Chain Institute and CITB-accredited Skills Academy speak for themselves, with 238 local companies winning between them over 1450 work packages, with 71% of work opportunities this year alone being tendered to local companies, a record high. In addition, there were 55 work experience opportunities provided primarily to young people.

Although the immediate future still holds uncertainty, I have every confidence that hub South West has the capability and the initiative to further develop its role in the construction industry and to continue to provide high quality services to its Participants and communities across the region.

This is my last annual report. I will step back from this position in the near future as I enter retirement from my various business activities.

I am certain that my successor, when appointed, will be proud, as I have been, to be Chair of a first class organisation staffed by people possessed of the highest levels of commitment, professionalism and integrity.

John F McClelland
C.B.E.
Chairman



During this 2019/20 reporting period we have developed and encountered diversity, a host of new opportunities, challenges, and changes; I am delighted, however, that this has resulted in another year of great success for hub South West Scotland.

hub South West has now successfully completed in excess of £500m of infrastructure covering the education, health, leisure, Housing and residential care sectors. Our extensive and varied portfolio of projects, together with our outstanding project delivery record, supports our pipeline into 2020.

This year we have witnessed greater utilisation of strategic support services in the pre-planning process. This has enabled our Participants to retain more design control at the project inception phase, with earlier design engagement producing more informed 'New Project Requests'. This, in turn, has resulted in the more effective development of on-site delivery on various community projects throughout the year.



Cumbernauld Academy & Community Theatre

This year hub South West has reinforced its support and positively engaged with our local communities, supply chains and stakeholders. Through our hub bespoke business development and engagement programmes, sector specific 'Meet the Buyer' events and 'Supplier Showcases', we continue to maximise the contract opportunities for SMEs across the South West region.

This reporting period delivered an 80% increase in local companies gaining sub-contract awards for the first time with our Tier One contractors. We also remain fully committed to upskilling, training and facilitating employment opportunities for people across our territory. Since the inception of hub South West in 2012, we have created over 500 jobs, while 634 delegates have benefitted from



Calderview Early Years

our supported on-site training programmes.

The last 12 months has seen a variety of exciting projects progress to site, primarily across the 'Early Years' and 'Housing' sectors. Highlights include the £35M East Whitlawburn renewal programme in South Lanarkshire and £24m of Early Years' facilities currently being developed and delivered across our territory, a testament to the adaptability of the hub process.

I should like to take this opportunity to thank John McClelland for his outstanding, sustained and invaluable contribution to the success of hub South West over the past seven years. I wish to thank him personally for his guidance, mentorship and leadership over this period. John's appreciation of strong corporate governance, his wisdom, experience and support has been invaluable, not just for the business but in my own personal development, and it is with great gratitude that I wish him well for the future.

As we enter our eighth year, we continue to develop and evolve our procurement practices to respond to our clients' requirements and the ever-changing demands on the construction sector. We know that the year ahead will offer up real challenges in developing, managing and operating in a post COVID-19 environment. However, we are satisfied that the innovation, flexibility and adaptability displayed since our inception in 2012, and particularly throughout this latest reporting period, will stand us in good stead. I am confident that hub South West will remain the 'Development Partner of Choice' for our clients, whatever the circumstances.

Our Vision

Investing in communities across South West Scotland to build better local services.

**Michael
McBrearty**
Chief
Executive



East Whitlawburn



Welcome to the 2019/20 Annual Report. The year to March 2020 has been yet another successful period of growth for hub South West Scotland Ltd.

Now in our 8th year of operation, the business continues to grow and adapt to best address the structural and economic needs of the communities in which we operate. This reporting period has seen hub South West continue to expand into sectors beyond Education, including Housing, Early Years and Leisure.

Significant progress has been made this year in developing our pipeline. We have dedicated time and resources to streamlining our approach and

currently have £468M of projects in the development stage.

This year saw the value of completed projects rise to £507M since inception with £158M of projects currently on-site.

This success is derived from the delivery of quality community infrastructure but also through our dedication to recycling the local pound and ensuring that as many opportunities as possible are created through contracts, jobs and training for people in our communities.



In April 2019, we proceeded to site with CCG on the £35M regeneration housing project in Cambuslang, South Lanarkshire.

The project will deliver 230 homes for social rent and an additional 81 properties for private sale as part of a £35M housing-led regeneration programme and is being delivered in partnership with West Whitlawburn Housing Cooperative. This is another big step for hub South West

in nurturing our Housing portfolio, having handed over our first housing project earlier in 2019.

This is also one of our first project engagements with South Lanarkshire Council. By adapting processes and versatility, we have been able to engage with new clients through new sectors. We currently have a further £23M of housing projects in development in South Lanarkshire alone.



East Whitlawburn

“This major initiative, CCG’s first such project with Hub South West, is already and within a remarkably short period of time transforming the built environment but will also impact on the local social & economic landscape under delivery of a substantial jobs & training programme and creation of an innovative Community Endowment Fund. These outcomes are in no small measure down to the pivotal role which hub South West has played.”

Calum Murray, Director,
CCG(Scotland)Ltd.

hub South West now have a total of £93M of Housing projects on site and in development across Ayrshire and Lanarkshire.

In June 2019, we proceeded to site with Ashleigh Ltd on the £19M Flatt Road development which will create 122 new homes in Largs, North Ayrshire. A second £19M phase of housing also progressed to site in North Ayrshire in early 2020. This second wave of housing in North Ayrshire will provide 116 new homes across 4 sites including 2 on the isles on Cumbrae and Arran.



Flatt Road, Largs



Cumbernauld Academy and Community Theatre

In July 2019 the new £37M Cumbernauld Academy and Community Theatre was handed over to North Lanarkshire Council.

The new campus hosts a secondary school with capacity for 1250 secondary pupils and a replacement venue for the current Cumbernauld Theatre, which includes such facilities as a 305-seat main theatre auditorium, an 80-seat digital media cinema, café, studio theatre with 105-seat capacity and a dance studio. The new facility is the third Education Campus to be delivered to North Lanarkshire Council by hub South West in recent years following on from Greenfaulds High School and the Clyde Valley Campus.





Queen Margaret Academy

Pupils entered the new Queen Margaret Academy, Ayr, in October 2019 after it was successfully handed over to South Ayrshire Council.

The new Catholic high school has room for up to 800 students and boasts a massive games hall, two all-weather pitches and sports courts.



The £5.4M Circuit on Quarry Road, Irvine, was officially opened by Scottish Footballer Erin Cuthbert in October 2019.

The facility includes a full-size 3G outdoor pitch for football, 9 a-side 3G indoor pitch to allow all-weather training and a 750m closed cycle loop.



“I think the facilities are just exceptional, you can't compare it to the old building. My worry was the sense of community might change but I think it is even better here. Pupils were overwhelmed at first but now they are so excited to be in this space and they love it.”

Oonagh Brown, Head Teacher, Queen Margaret Academy

In November 2019 the £4.6M Tarryholme project handed over to North Ayrshire Council.

The development consists of a learning disability day centre and a care home. It includes a sensory garden and hydrotherapy pool along with 20 houses providing supported accommodation for people with complex learning disabilities. Another nine properties offer community based mental health rehabilitation.



We are currently on site with the £27M Additional Support Needs School and Respite facility in Stevenston, North Ayrshire.

The school will provide flexible learning for young people with a range of additional support needs, and will feature a hydrotherapy pool, gym facilities, soft play area, playground equipment and outdoor learning spaces. The Respite and Residential facilities are being developed to provide accommodation for up to eight young people in each establishment with additional support needs.



Additional Support Needs School and Respite facility in Stevenston



Also on site is the new Ayr Grammar Primary School and Archive Centre in Ayr, South Ayrshire.

Ayr Grammar Primary School will be relocated to the Grade B listed former Ayr Academy Building on the town's Fort Street and will also incorporate early year's provision and community facilities to offer a unique link between education partners on a single campus for the benefit of young people, adult learners and the wider community.



Morgan Sindall Construction has been appointed by hub South West and South Ayrshire Council to build two new education campuses for primary, secondary and Early Years teaching, worth a combined £64M.

This will include Prestwick Educational Campus and Maybole Community Campus. The campus will be built on the site of the existing Glenburn Primary School and have capacity for up to 823 children. It will accommodate the former Glenburn intake while allowing St Ninian's Primary to relocate there. The campus will also include an Early Years Centre. The new campus, which will be built on the site of the existing Carrick Academy, will have capacity for up to 1,370 children and young people.



In June Dalbeattie Learning Campus in Dumfries and Galloway was shortlisted for Best Social Infrastructure Project at the Global PPP 2025 conference in Madrid.

Both the new Queen Margaret Academy and the new Cumbernauld Academy and Community Theatre have been shortlisted for Best Education Project at the 2020 Partnership Awards.

Throughout this reporting period, Early Years

has become a new sector in which we now have a robust pipeline. We are currently on-site and in development with £24M of Early Years projects- A £9.7M bundle of 9 Facilities in North Lanarkshire, £8M of Early Years facilities in South Lanarkshire, both of which are being constructed by Morgan Sindall in their first major project with hub South West. A further £6.5M of Early Years projects are nearing completion with Graham Construction across three sites in East Ayrshire.





Dalbeattie Learning Campus

The year to March 2020 has been another fantastic year of progress for hub South West.

The variety of projects being delivered by the partnership is encouraging, with Housing and Early-Years currently populating the majority of the development pipeline and is a further testament to the diversity of the partnership and the team. Relationships with Participants have again been solidified and nurtured throughout the reporting period, making possible the involvement in these exciting new sectors.

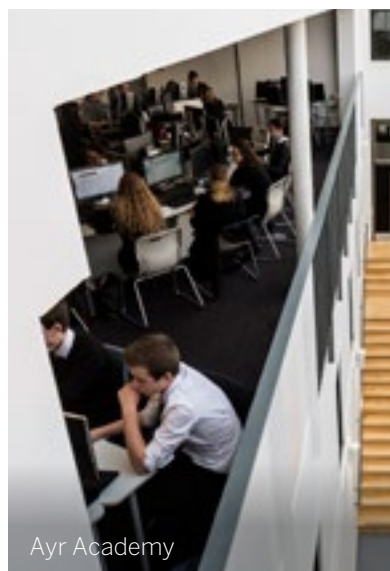
As Chair of the Territory Partnering Board (TPB), It is encouraging to engage with fellow Participants, to take part in TPB meetings and gain greater understanding around what the partnership can offer and the ongoing successes.



Greenfaulds High School

I would like to thank those who, through their continued attendance and contribution, have supported the development of the hub model since inception. The TPB meetings are an opportunity for us all to learn from our experiences, share ideas and influence the hub model to meet our own specific challenges.

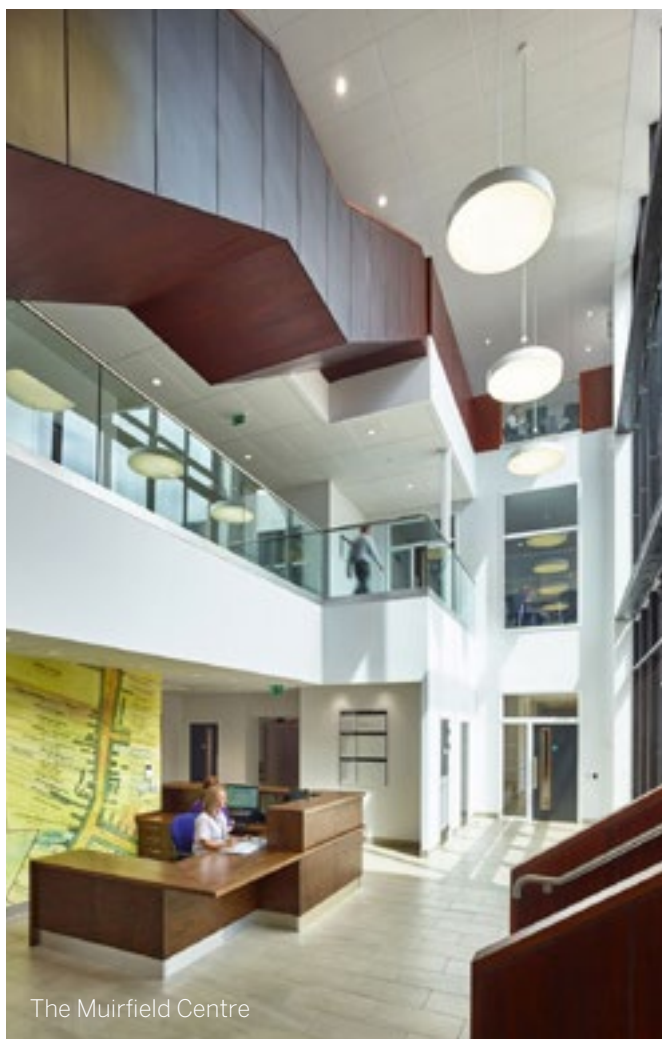
As in previous years the consistent performance of hub South West and its supply chain in the delivery quality projects to Participants has been a notable highlight. Tribute should also be paid again to the Participants and their increased knowledge of the development



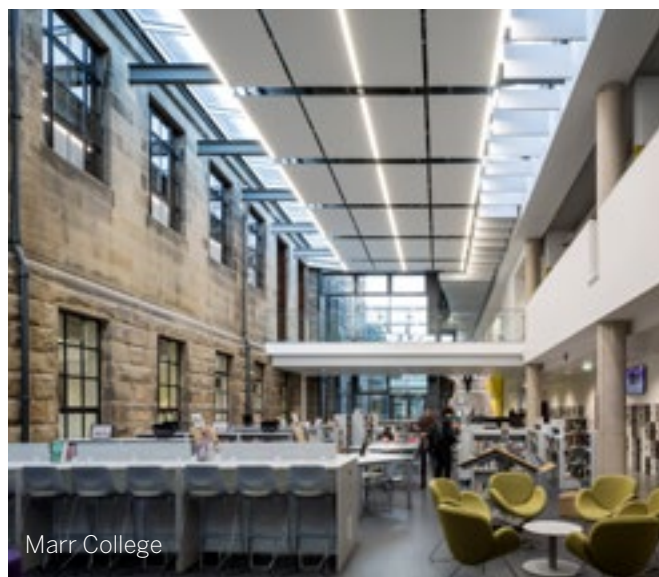
Ayr Academy

“As well as an impressive portfolio of community facilities, hub South West continue to deliver an impressive programme of economic development opportunities for communities and businesses across the territory.”





The Muirfield Centre



Marr College



Hunter Community Health Centre

process, specification requirements and the form of contracts utilised has, without doubt contributed to the success in the quality of these fantastic new facilities.

Project highlights of the year have included the handover of Cumbernauld Academy & Community Theatre in North Lanarkshire and Queen Margaret Academy in South Ayrshire. With focus in recent years being on customising the model to expand hub South West's reach into new sectors, these state-of-the-art facilities prove the partnership still has an incredible track record of delivering high-value Education projects and continue to positively shape learning environments for the next generation.

As well as an impressive portfolio of community facilities, hub South West continue to deliver an impressive programme of economic development

opportunities for communities and businesses across the territory. Their bespoke events including the hub Club and the ever-successful Building for Growth programme, continue to benefit and motivate SME's to involve themselves with hub South West, thus creating an ambitious, skilled and diverse supply chain that feeds back into the success of all projects.

This year's positive outcomes and figures noted throughout this report are a testament to the hard work of the partnership thus far and I look forward to hub South West continuing this momentum into 2020 and building on the success achieved together.



Clyde Valley Campus

Donald Gillies
Chair of
Territory
Partnering
Board



Throughout the 2019/20 reporting period we have been exceptionally lucky to continue to engage with a fantastic network of businesses, contractors, schools, social enterprises and community groups. We believe our bespoke Supply Chain Institute and CITB accredited Skills Academy provides excellent opportunities for our communities to learn, train and grow local business. hub South West instigates these initiatives however we have now established an excellent network that facilitates and enhances our innovative programme of events that can guarantee as many opportunities as possible are created throughout the South West territory.



Be it through training, apprenticeships, graduates or existing contractors, or providing guidance to local businesses on how to secure contracts, our ultimate goal is to ensure communities are getting the most out of infrastructure investments in their area. In the coming year we look forward to continuing to work with our community benefit and supply chain support networks in order to continue to tailor and adapt our economic development approach to ensure the best possible opportunities for the communities in which we work.

Awarding our Supply Chain



In March 2019 we launched our first awards scheme specifically focused on those actively excelling at upskilling and training in the South West territory.

Providing every opportunity at a local level is integral to our project manifesto therefore we wanted to take this opportunity to commend local companies who share and support this ethos on our projects. The scheme sought to award SME's specifically for their commitment to inspiring the next generation of professionals within the industry, as well as those firms committed to nurturing staff already working in the sector. We announced our two winners in May of 2019. James Frew Ltd, an integrated building services based in Stevenston, were awarded hub South West Best Training Culture for their work on our Kylehill Court project in North Ayrshire. CMS Windows systems, based in Castlecary, Lanarkshire, received the hub South West Best employment initiative for young people award for their work on Largs Campus also in North Ayrshire .

This year our engagement activity has resulted in ever increasing local supply chain participation in hub South West projects.

For projects completing last year -

71% of all tenderers were local | against an average target of **67.5%**

Giving back to our Communities

Following our first successful charity golf day in 2018, which raised £14,000 for Shelter Scotland, we held a second charity golf day in June 2019.

Thanks to the support of our Tier-1 contractors, consultants, sub-contractors and suppliers, over 88 golfers participated and raised over £20,000 for six deserving charities across Lanarkshire, Ayrshire and Dumfries & Galloway. £3,345.65 was awarded to each selected charity including, Breast Cancer Now, CHAP, The Unity Grill, Blood Bikes, Chris's House and CHAS.



Providing Opportunities

In September 2019 we held our third annual 'Hidden Gems' showcase, this time at the Royal Strathclyde Blindcraft Industries (RSBi).

At this event, supported and third sector businesses are invited to exhibit and meet with some of the country's biggest building contractors in order to explore opportunities in the construction sector. This year, in order to maximise the benefits for participating companies, we teamed up with our hub counterpart in the West and hosted 10 supported organisations with the potential to sell their products and services into the sector.

"The RSBi is a fantastic example of a business from



which the whole of society profits, and is, therefore, a perfect host for our Hidden Gems event.

"There are many such organisations throughout Scotland providing much-needed employment and support for local people, and we want to showcase how they can benefit from contributing to the construction industry in general, and in particular to Scotland's hub programme through our major contractors."



Gordon Hunter
Supply Chain Development
Manager, hub South West





The last 12 months saw the continuation of our Females into Construction Programme in partnership with New College Lanarkshire.

This was the second run of the bespoke programme that was supported by our Tier 1 contractors Graham, Morrisons, Morgan Sindall and Kier. The course provides a collegiate, supportive environment where each participant

can find out more about the spectrum of career opportunities available within the sector. The course, which has no formal entry requirements, is open to women over the age of 16 and offers the opportunity to secure a National 5 qualification in Construction Crafts. From there, participants can progress to pre-apprenticeships or move on to a professional career route of higher national certificate level.



26

local businesses worked on hub projects for the first time this reporting period

238

local companies have won between them over

1450

work packages





Developing our Housing Supply Chain

In May 2019 we held our first ever Housing specific Meet the Buyer Event at the Hallmark Hotel in Irvine, North Ayrshire in order to further develop our supply chain in the new and exciting sector.

The event was attended by over 90 delegates and allowed us to showcase 4 upcoming housing projects in the area including Flatt Road in Largs and projects on the isles of Arran and Cumbrae. Attendees were then given the opportunity to engage in one-to-one sessions with our key housing contractors including Ashleigh, CCG, Cruden and Graham as well as project managers from the hub South West team. This cements

further our commitment to continuously ensuring we have a robust and flexible supply chain that can continue to adapt and provide the necessary services we will need to continue to develop our pipeline in the housing sector.



The hub Club

Our bespoke hub Club entered its second full year of operations this year, with the events popularity as a source of learning, information and networking continuing to grow.



The hub Club is a networking lunch and learning session held each month at a venue in the South West territory and covers a different business theme each session, inviting two or three businesses to present their company and processes, and pitch to our contractors. Each event is limited to around 50 delegates and has again highlighted the fantastic network of



businesses and contractors we have working together and individually to learn more, win contracts and ultimately develop the future of the industry.





Building for Growth

2019 saw hub South West celebrate the tenth cycle of our Building for Growth Programme. This cycles winner was aerial photography Company Drone Scotland. The course is targeted at ambitious local SMEs looking to grow in a sustainable manner by building upon the skills and internal capacity to take on increasing volumes of work. Over 100 delegates from 82 companies across Ayrshire, Lanarkshire and Dumfries & Galloway have now successfully graduated from the programme.

“This is a fantastic achievement. The drone industry is in its infancy. Its growth is predicted to be exponential through until 2030, so it’s great to see that we are now being recognised by such highly influential organisations as hub South West. It has supported our business over the last year and we look forward to growing alongside it. We are already working with some of its Tier 1 contractors and our aim is to develop further these relationships.”



Michele Aean Managing Director, Drone Scotland



Supply Chain Spotlight



“Our first experience of working with hub South West came as a joinerwork sub-contractor to Kier Construction on 4 major school projects in Ayrshire between 2012 and 2017.

We started our Main Contracting Division LDC (Linear Design & Construct), in 2018 and our recruitment policy of only employing tier 1 staff has quickly enabled us to provide tier 1 service to smaller projects. We carried out the Pre-Qualification document for the partnership in 2018 and this enabled us to tender for hub South West projects under £5m. The partnership has helped us tremendously by providing advice and assistance as we made the journey from sub-contractor to Main Contractor on the framework. We have secured 3 projects across Education, Commercial Offices and Public Realm/ Residential and this experience has really helped us as a contractor, fully buying into the hub process and the many local benefits that this brings to the clients and projects. The projects have been run with an impeccable partnering ethos between hub, Local Authorities, Linear and our Design Teams. We hope to repay the opportunity provided, by developing and building many first-class projects for and their Participants in the coming years.”



Ryan Broadley
Managing Director,
Linear Design Construct

386

Tier 2/3 SME's
in our territory

47

Graduates
Recruited

87

Community
Design Days

98

Annual Community
Benefit Days

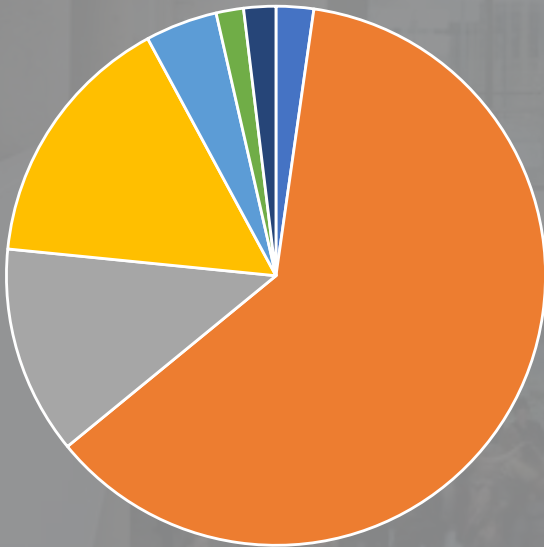
hub South West has continued to run our Supplier Showcases throughout the 2019/2020 period with events being held each year in Lanarkshire, Ayrshire and Dumfries & Galloway.

These events allow our Tier-1 contractors and SME's from across the territory to exhibit and network. There are also workshops hosted throughout the day, allowing attendees to learn more about upcoming project opportunities.



hub South West has now delivered 53 contracts to the value of £507m across the territory and the past 12 months has seen our pipeline continue to diversify in both sector and supply chain. We welcome the opportunity to continue to work with our Participants as their infrastructural requirements continue to adapt as does our approach and ability to reflect our flexibility in our growing pipeline.

The business continues to expand, as does our aptitude to tailor our approach through experience and lessons learned. hub South West has a well developed and resilient supply chain and with £468m of projects currently in development stages, we look forward to seeing what the future holds.



Early Years	£24M	2%
Education	£695M	62%
Healthcare	£136M	12%
Housing	£186M	16%
Leisure	£52M	4%
Office	£18M	2%
Other	£21M	2%

Raising Standards in Education

20 Education Projects now successfully delivered to the value of **£423M**

£45M of education currently on site

A further **£227M** of education projects currently in development



Marr College



Clyde Valley Campus



Healthcare

8 projects successfully handed over to the value of

£54M

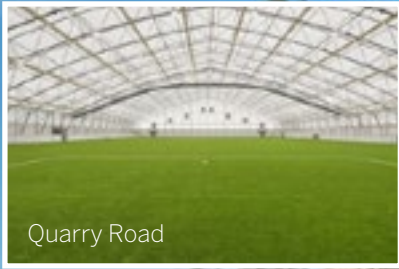
A further

£82M

of Healthcare projects currently in development



Houldsworth Centre



Quarry Road



The Quay Zone



Housing

A general pipeline of

£186M

now in place

Have now handed over

£11M

of Housing projects

4 Housing Developments
currently on site to the
value of

£84M

A further

£91M

of housing currently in development





Community & Leisure

£11M

of Leisure facilities handed over

A further

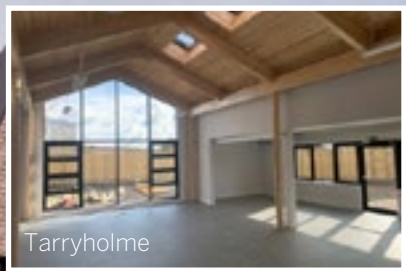
£41M

of Community & leisure projects in development

The Muirfield Centre



Kyleshill Court



Tarryholme

Springvale Housing Development

Office Development

£9M

of Office development projects handed over to date

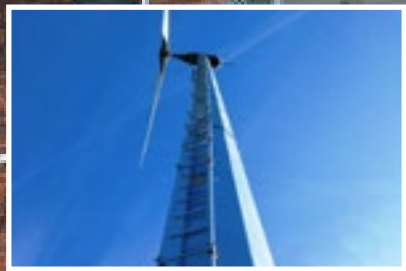
A further

£9M

of projects currently live and in development



Ardrossan Quayside



Early Years

£24M

of early years pipeline

15

Early Years facilities on-site and in development across the territory



Strategic Support

Strategic Support is a range of additional services that can be provided by hub South West to assist Participants to complete Service Planning and Estate Strategies

This is an agile, dynamic and best value way of supporting Participants through new project development and has often resulted in the genesis of further projects for hub South West.

First step in a project's lifecycle through hub

High translation rate from Strategic Support into new Projects

Range of services provided which can provide early studies into project feasibility / viability

Continued and diverse uses supporting the inception of projects

Creating business cases for new infrastructure, developing commercial and technical basis for Authority decisions

Technical appraisal of sites and opportunities

Clinical reviews, the redesign of service delivery to inform infrastructure needs



Ayr Grammar



Largs Campus



Ayr Academy



Clyde Valley Campus

Delivering Best Value and tangible Social Impact following 8 years of operations has become the hallmark of Hub South West's development and delivery. As we look forward to continuing our successes in this decade, we seek to embrace new challenges in the industry by focusing on innovation, sustainability and quality alongside the delivery of our founding principles.



Largs Academy

With lessons learned integrated into our approach, new partners in our supply chain and our continued aim of delivering true partnership, we are well set to continue our pursuit of delivering a best in class approach to public sector procurement.

In our quest to secure continuous improvement in

our operations, we believe it is important to reflect upon both the successes and challenges that have brought the business to this point, and to use the lessons learned to equip ourselves for the times ahead.

As we progress further into 2020 our focus will be on delivering not only the best possible quality of work but also a greater consideration of sustainability. Our renewed focus on these areas sees them firmly embedded in the development process, ensuring focus all the way from project inception through to delivery and operation.

Equally, with a focus on the industry's reduction of its own Carbon Footprint, we aspire to a target of zero waste, not just in how a building operates post-completion, but also throughout the construction process.

We foresee many potential highlights over the next 12 months in the housing, education, health, and leisure sectors. With £468M of projects currently in development, we are well equipped to sustain our pipeline, and to continue the delivery of top-quality infrastructure to our communities across south west Scotland.



Our sizeable supply chain continues to be a top priority; we see our role as continuing to nurture and support local companies in any way we can. As we head further into the current year, our programme of events will be more important than ever in ensuring that local SMEs have the resilience and capacity to take on a higher volume of contracts with hub South West Contractors.

As a result of the performance of our ground-breaking Skills Academy and Supply Chain Institute, the last few years have seen hub South West build a real community of businesses and contractors which bring with them positivity and enthusiasm. These qualities are infectious and essential in these difficult times.

To achieve our ambitious goals, we continue to be flexible and to undertake regular reviews of our supply chain. As a result, our next reporting period will see hub South West welcome both BAM and Robertson as Tier-1 Contractors.

Both bring to the table their rich experience in the education, leisure, housing, and healthcare sectors. Our shared values mean that each is aligned with our needs and reflect our ambition to deliver sustainable, high quality infrastructure for our communities. We look forward to working with them.



Dumfries Learning Town - The Bridge

has shone a light on our processes, and we continue both to engage with Participants regularly and to support local SMEs and the members of our supply chain in every way we can.

We aim to support all stakeholders on hub projects and fully anticipate that we will emerge stronger together from the pandemic. As we close this reporting period, all hub South West construction projects have been halted and sites safely and securely closed.

We are already preparing, however, for the eventual continuation of construction activity and the means by which we can safely operate under new guidance while protecting everyone involved. We remain highly optimistic for the future of our industry.

The next 12 months may be very different for all of us. We approach, however, the times ahead just as we approach our projects, with resilience, responsiveness, and positivity.



Kylsehill Court

The landscape, inevitably however, will be coloured by the effects of the Covid-19 pandemic and how quickly the construction sector can return to a near normal state.

Despite the many challenges that arise as a result of the pandemic, we aim to maintain our momentum, resilience, and responsiveness. The pandemic



Greenfaulds High School



Tarryholme

hub South West Scotland Limited Group

The following information is extracted from the Annual Report and Consolidated Financial Statements for the year ended **31 December 2019**. The Group financial statements consolidate the financial statements of hub South West Scotland Limited and its subsidiaries: Hub SW NHSL Holdco Limited and Hub SW NHSL Sub Hub Co Limited.

The Group generated a profit after tax of £489K (2018: £233k, 2017: £350k, 2016: £813, 2015: £457k).

The Directors are satisfied with the financial position and outlook for the Group.

Profit and Loss Account	2019	2018
	hub South West Scotland Limited Group	hub South West Scotland Limited Group
Turnover	51,397,740	42,431,674
Cost of Sales	(50,847,723)	(42,127,205)
Gross Profit	550,017	304,469
Admin Expenses	(510,345)	(502,879)
Net Interest Receivable/(Payable)	517,358	516,722
Profit Before Tax	557,030	318,312
Tax (Deferred Tax)	(68,186)	(85,308)
Profit for the Period	488,844	233,004
Other comprehensive income for the year		
Cash Flow Hedge	-	-
Total comprehensive income for the year	488,844	233,004
Balance Sheet*		
Total Assets	57,080,165	44,962,265
Current Liabilities	(20,505,552)	(7,441,020)
Total Assets less Current Liabilities	36,574,613	37,521,245
Long Term Liabilities	(34,561,504)	(36,082,722)
Provision for liabilities (Deferred Tax)	(4,608,807)	(4,523,065)
Net Assets/(Liabilities)	(2,595,698)	(3,084,542)



hub South West Scotland Limited Company

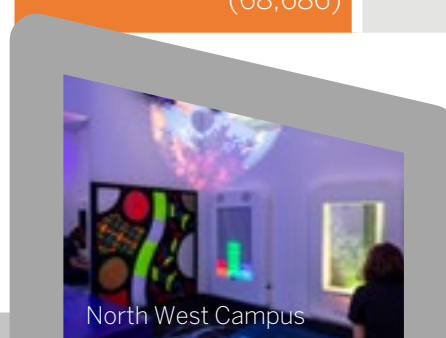
The following information is extracted from the Annual Report and Consolidated Financial Statements for the year ended **31 December 2019** and relates to hub South West Scotland Limited Company only. The Company set of figures have been added for increased visibility at hub South West Scotland Limited Company level and to better present the Company's position to its shareholders.

The Company (Hub South West Scotland Limited) generated a profit of £31k (2018: Loss £204k, 2017: Loss £98k, 2016: £223k, 2015: £80k).

The Directors recommend that no dividend is declared.

The Directors are satisfied with the financial position and outlook for the Company.

Profit and Loss Account	2019	2018
	hub South West Scotland Limited Company	hub South West Scotland Limited Company
Turnover	50,429,237	41,636,729
Cost of Sales	(49,918,520)	(41,353,234)
Gross Profit	510,717	283,495
Admin Expenses	(497,355)	(487,965)
Net Interest Receivable/(Payable)	-	-
Tax	17,557	0
Profit for the Period	30,919	(204,470)
Other comprehensive income for the year		
Cash Flow Hedge	-	-
Total comprehensive income for the year	30,919	(204,470)
Balance Sheet*		
Total Assets	19,091,325	6,232,202
Current Liabilities	(18,224,544)	(5,272,224)
Total Assets less Current Liabilities	866,781	959,978
Long Term Liabilities	(935,467)	(1,059,583)
Net Assets/(Liabilities)	(68,686)	(99,605)



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