

Interim Governance Board #3

1 p.m. to 3 p.m. 27th October 2023

Room 209, INEOS, 1 Inchyra Road, Grangemouth, FK3 9XB

Minutes

Board Members:
Also in attendance:

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|------------------------|---------------------------------------|--|----------------|--------------------|
| Charles Hammond OBE | Interim Chair | | Laura McIntyre | PMO / Secretariate |
| Stuart Wallace | Forth Ports | | Nicola Dowrick | UK Government |
| Andrew Gardner | INEOS | | Erin Law | Forth Ports |
| Malcolm Bennie | Falkirk Council | | Laura McIntyre | Secretariate |
| Sean Donaldson | Babcock Rosyth | | | |
| Paul Lawrence | City Of Edinburgh Council | | | |
| Gordon Mole | Fife Council | | | |
| Ronald Muir | Scarborough Muir Group | | | |
| Amanda Templeman | Falkirk Council (Accountable Body) | | | |

| Distribution List | | | | |
|--------------------|---------------------------|--|------------------|------------------------|
| Kyle Drummond | City of Edinburgh Council | | Paul Kettrick | Falkirk Council |
| Andrew Sim | Fife Council | | Callum Spreng | Spreng Thomson |
| Steve Revell | Falkirk Council | | Ross Jubin | Scarborough Muir Group |
| Patrick Carnie | Babcock International | | Euan Dobson | Scottish Enterprise |
| Elin Williamson | City of Edinburgh Council | | Ben Jones | Scottish Government |
| Derek Knox | Forth Ports | | Gordon Robertson | Edinburgh Airport |
| Pamela Smyth | Forth Ports | | Pamela Stevenson | Fife Council |
| Angus Gray | Calachem | | Erin Law | Forth Ports |
| John Stevenson | Forth Ports | | Colin Pritchard | INEOS |
| William McAllister | Scarborough Muir Group | | Debbie Johnston | Spreng Thomson |
| Nicola Dowrick | UK Government | | Patrick Carnie | Babcock International |

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| 1 | Welcome and Introductions The Board acknowledged the sad passing of Cdr Bob Hawkins MBE, RN Chief of Staff, Naval Regional Command Scotland, and Northern Ireland. | CH |
| 2 | Governance Gordon Mole is Proxy for Ken Gourlay (proxy form received – voting) Apologies Ben Jones Scottish Government, and William McAllister, Scarborough Muir Group Update on Falkirk Council Executive of 17 October – the report was well received, a few questions about Fair Work and Skills and a motion that the choice of elected member for the Board should be agreed by the Full Council Update on City of Edinburgh report on 24 th October, motion to go to full Council on the 2 nd of November. – Board to note that this passed and that Edinburgh Council elected members request a copy of the OBC prior to submission | CH PL |
| 3 | Matters Arising – Action Log Brigadier Andrew Muddiman to be brought up to date on planning proposals – completed Progress the Financial Case for FGF – completed Executive Summary of OBC for Board – has been issued Further refinement of Governance and Assurance – has been issued | |

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| | <p>Recruit Chair – Dame Susan Rice has been recruited and will join us at the next Board Meeting Write to Council Chief Executives and Leaders to ask for consideration of Elected Members for the Board - Draft letter and Board Terms of reference has been sent to Dame Susan for her attention</p> | |
| 4 | <p>Report from Chair of Steering Group – OBC submission The Key Commitments (paper issued) 1. Stuart took the Board through the key commitments in the OBC and the Board approved in principal. Stuart will bring Dame Susan up to date with these. Key points</p> <ul style="list-style-type: none"> • Lower number of jobs due to density of jobs in the targeted industries being lower than usual multipliers, higher GVA because of quality. • Grangemouth Tax sites exceeds 200 ha, justification is because of the higher level of economic impact and the National decarbonisation agenda. • Changes to Leith Tax-site, now straddles the Forth and Includes a new port at Burntisland to support floating offshore wind (FLOW) and has been renamed Mid-Forth. • The MOD land has been added in to the Rosyth Tax sites • having engaged with HMRC about tax site changes we do not think any of this this presents a risk • Total Tax Site geography is now 552 ha • England does not have any sites over 200 ha – ND • <p>Discussion. Amanda raised concerns about the levers we have should we have noncompliance with Investment principles and would like some clarity around which levers we can use, process for escalation and how we address this within agreements with investors. SW/LMCI will take these comments on board and provide clarity within the governance and the OBC.</p> <p>3. Seed Capital projects – no changes</p> <p>Discussion PL asked about subsidy control, we have looked into this with Brodies, government and with the team, each funder has to have its own scheme. for Seed Capital this will be Falkirk Council, for NDR each Council will use their own scheme. We have created a tool kit for assessment of this, however liability for any subsidy remains with the end recipient of the grant given. PL wants us to consider having a clear comms line around Seed Capital Projects. Charles suggests that a questions and answers section is useful on the website.</p> <p>There is a building missed off the MOD site and this is to be added in.</p> <p>4. Clear Commitments to Net Zero 2045 target with all partners</p> <p>5. Planning protocol is currently with Scottish Government – good progress made, please note there is no dilution or changes to Local authority powers, the protocol looks at how planning applications can be to be of better quality and how key agencies can work together to be more coordinated and supportive. Marine Scotland have yet to be engaged but all other partners are working together through the Key Agencies Group (KAG)</p> <p>Discussion – PL feels that the use of the word "swift" is misleading, and suggests that a better word would be expedited</p> <p>6. Forth Green Freeport legal status –Forth Green Freeport Ltd will be a Company Ltd by Guarantee and the members of the FGFGB will become its</p> | <p>SW</p> <p>SW/LMCI</p> <p>Refer to communications group</p> <p>EL</p> <p>LMCI</p> |

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| | <p>directors. It will have a wholly owned subsidiary company – Forth Green Freeport Company Ltd. To which it will give delegated authority to for the day to day operations of the Green Freeport. There will be matters reserved for the FGFB and these will include Business Plan and Financial Plan and budget and any other matters that the Board wishes to reserve. The Board agreed to invite a Worker or Union representative to join the Board. LMCl to change the governance to reflect this.</p> <p>7. Budget was tabled at last meeting. Once OpCo CEO is in place we will be looking to have a detailed business and finance plan brought to the board for approval.</p> <p>8. The top end of the NDR projections has been put in the bid. The Board can give views on any NDR proposals, however the use of retained NDR lies with the local authorities within the parameters of the Green Freeport Guidance. AT emphasised that in Falkirk Council, the TiF programme has to be considered first.</p> <p>Risk Register ; Please add stakeholder relationship to the Risk register and that this will be mitigated via MOU.</p> <p>Executive Summary has been issued and happy to take questions and comments (if time permits, otherwise comments back to Stuart by 3rd of November at the latest.</p> | |
| 5 | <p>Issues for the Board Risk Register- Please add stakeholder relationship to the Risk register and that this will be mitigated via MOU.</p> | SW |
| 6 | <p>Any other Business - Executive Summary has been issued comments back to Stuart by 3rd of November at the latest.</p> <p>Press release about Dame Susan's appointment will be issued next Wednesday (1st Nov)</p> | All |
| 7 | <p>Date of next meeting - to be arranged LMCl to meet with Dame Susan to make arrangements Other Key dates; Steering Group Meeting – 16th November, OBC Submission 17th November</p> | LMCl |
| 8. | Charles thanked the board for their time and endorsed Susan's appointment as Chair and stands down from his role. Andrew thanked Charles on behalf of the Board for his leadership. | |

| Task | Date | By |
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| Induction training for Board | 30 Nov 2023 | LMCl |
| Firm up the legal agreements for Tax site beneficiaries. | FBC submission | SW/ LMCl/EL |
| Make progress on Customs Site | FBC submission | SW/EL |
| Apply for 2nd tranche of RDEL funding | 31 Dec 2023 | LMCl |
| Write to Council Chief Execs and Leaders of all 3 Councils to ask for consideration of Elected Members for the Board | 30 November | SR/ LMCl |
| Recruit CEO | 31 Dec 2023 | SW/ SR |
| Set up Company (TopCo) | 31 Dec 2023 | Board |
| Ser up subsidiary company (OpCo) | 31 Jan 2023 | CEO |
| 5 year business and financial plan | 28 Feb 2023 | CEO |

Decision Making Timetable

| Date | Forum | Ask |
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| 13 Nov 2023 | Secretariate | LMCl to meet with Dame Susan Rice and prepare her for the forming of the new board |

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| 30 Nov 2023 | Secretariate | Dates to be agreed for Board meeting/s with SR |
| Prior to next Board meeting | Councils | Councils to agree on elected member to be invited to the board |
| Prior to next Board Meeting | Steering Group | Steering Group/ Fair Work Group to identify workers representative for the Board. |
| Next Board Meeting | Interim Board | Interim Board to step down, members proposed. New Board formed. |
| January 2024 | Fife Council Cabinet Committee | |
| March 2024 | Board | Board to approve 5 year business and financial plan |