

Interim Governance Board #1

15th June 2023 1100-1230

Board Room, Carron House, Central Dock Road, Grangemouth, FK3 8TY

Minutes of the Meeting

Board Members in attendance:

Also in attendance:

Charles Hammond OBE	Interim Chair		Laura McIntyre	PMO / Secretariate
Stuart Wallace	Forth Ports		Nicola Dowrick	UK Government
Andrew Gardner	INEOS		Ben Jones	Scottish Government
Malcolm Bennie	Falkirk Council		Erin Law	Forth Ports
Sean Donaldson	Babcock Rosyth		Karen Algie	Falkirk Council, proxy for Amanda Templeman
Paul Lawrence	City Of Edinburgh Council		William McAllister	Scarborough Muir
Ken Gourlay	Fife Council		Pamela Stevenson	Fife Council
Ronald Muir	Scarborough Muir Group			

Board Member Apologies	
Amanda Templeman	

1	<p>Welcome and Introductions</p> <p>Charles Hammond, OBE formally welcomed the board.</p> <p>The Board recognises Charles as the Interim Chair and acknowledges that as Chair, he will be representing the interests of the Forth Green Freeport and not the interests of Forth Ports. Forth Ports’ interests will be represented by Stuart Wallace.</p> <p>Charles congratulated the team on their hard work so far and called the meeting to order.</p> <p>As this is the inaugural meeting there are no previous minutes or action points.</p>	CH
2	<p>Role of the Interim Board (the Board) / Terms of Reference – issued with Board Papers</p> <p>Key points</p> <p>The Board will provide scrutiny and leadership. The appointment of an independent chair is an important first item of business and interviews will take place in August.</p> <p>The Board will provide support in respect of Falkirk Council’s role in being accountable for public funds.</p> <p>The Board will approve Outline and Full Business Cases. Charles is keen that the Board fully understands these commitments.</p> <p>The Board will support Stakeholder Management and promote the Forth Green Freeport with colleagues and peers.</p> <p>The Board agreed to abide by the ethics and standards as outlined in the Terms of Reference.</p> <p>Charles asks the Board if they understand and are content with the Terms of Reference and their roles. The Board are unanimous in their support.</p> <p>Discussion on the Final Governing Board</p> <p>The final board will have an independent chair and Charles will step down when that person is recruited. The role of elected members is to be considered and all 3 local authorities are keen on consistency of approach. The 3 LA leads will discuss and will bring forward a considered approach and structured proposal to the next Board meeting.</p>	CH

	<p>The Board would also like to see a public / private sector balance to the subcommittees as part of the final governance arrangements.</p> <p>A revised governance structure will then be developed as part of the OBC and by the Board for final sign off.</p>	
3	<p>Good Governance. (slides provided with Board papers)</p> <p>Karen Algie, Director of Transformation, Communities and Corporate Services at Falkirk Council, led a discussion on Good Governance.</p> <p>Key points:</p> <p>The role of the public sector Falkirk Council’s role is clearly set out in the papers and there is a link to a helpful document that Board members should find useful in developing their understanding.</p> <p>Standards of public life are legislated for, and all actions must be in the interests of our communities, and there must be openness, honesty and integrity. The policies and procedures that are sometimes considered as overly bureaucratic are there to ensure that the standards of public life are maintained.</p> <p>Accountable Body The Council is responsible for the disbursement of public funds. Procurement is very strict in terms of levels of authorisation, where there is delegated authority to officers and when decision making by elected members is required.</p> <p>Procurement conditions can be perceived as slow, however they do protect all parties in meeting their legislative duties.</p> <p>Freedom of Information (FOI)</p> <p>All Councils are required to release any information we hold. The Board should be aware that any data sent to the Council/s could be released to the general public.</p> <p>There are some exceptions for example if the information is commercially confidential and restricted for data protection purposes.</p> <p>The Board acknowledged the public sector and Accountable Body requirements and agreed to support Falkirk Council and public sector partners to execute their duties in the manner required.</p> <p>Discussion The Board agreed that the minutes of the Board should be published on the Forth Green Freeport Website.</p> <p>The Board would like to take up the option of Induction Training and Falkirk Council agreed to arrange this. Preference to have this completed by all members by the next board meeting.</p>	KA
4	<p>Steering Group Progress Report</p> <p>General</p> <p>Stuart Wallace, Chief Operating Officer, Forth Ports and Steering Group Chair presented the report on behalf of the Steering Group.</p> <p>The target for OBC submission is the 31st October 2023, with statutory instruments laid by the end of the year and the Forth Green Freeport operational soon after. We will endeavour</p>	SW

<p>to align the statutory instrument legislation workstream with the Inverness and Cromarty Green freeport timeline.</p> <p>Areas of significant progress</p> <p>January 2023 – announcement that the Forth Green Freeport was one of the two successful bids.</p> <p>Guidance documents were issued in the 2nd half of March and this was the catalyst for the steering group to understand the work required to take forward the Forth Green Freeport Outline Business Case (FGF OBC)</p> <p>Governance and Assurance was approved by the UK and Scottish Governments and allowed us to secure the first tranche of RDEL funding to develop the Green Freeport. £300k has been claimed to date and we are in the process of securing a second tranche.</p> <p>4 Steering Groups have been held with significant progress being made.</p> <p>Expectations of the OBC / FBC - the guidance and OBC requirements are much more prescriptive than in the Freeports in England.</p> <p>Timescales require pace and purpose, and we are working very hard over the next 4 weeks to pull in all the key information that will be given to the PMO to write the OBC.</p> <p>The Board will require a thorough understanding of the contents of the OBC so that the Board can scrutinise the process and ensure we are meeting the ethos of the Green Freeport as presented in the bid.</p> <p>The Board will approve the OBC prior to it being submitted and each local authority will ensure that their internal governance structures and sign off processes are met within the timelines.</p> <p>The Chair is keen that everyone understands all the processes and asks that dates and key milestones are circulated</p> <p>There is an emphasis on Zero Carbon but no real clarity on expectations of FGF</p> <p>Colin Pritchard of Ineos is leading and Lewis Barlow is supporting on behalf of UK/Scottish Governments. Colin is writing the narrative on the commitments and is being heavily supported by the public sector partners. SD and PL are happy to provide additional support if required.</p> <p>Draft Investment Principles and Draft Fair Work Charter Tabled for consideration of the Board.</p> <p>Discussion</p> <p>Investment Principles are well received but an ask made that we try to ensure that these do not become overly bureaucratic. Would also like to see these tightened up in terms of firm commitments by inward investors.</p> <p>Fair Work Charter was also well received however a balance on the employee responsibilities would be useful, feedback to be given to Elin Williamson, Fair Work & Skills Working Group Lead.</p> <p>Policy Points – fundamental matters</p> <p>Planning – we have asked the UK/ Scot Gov to streamline and support planning processes that would help investors to move in more quickly. We have pulled together some discussion papers, and it will take some time and influence on the processes, particularly consenting and</p>	<p>PMO</p>
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	<p>planning. Ask of the board is to support a streamline policy and options and discussions at senior levels of government if possible.</p> <p>Discussion</p> <p>We should ensure that nothing dilutes the communities or elected members’ powers to scrutinise planning applications. The longest delays are often at national level when planning applications are called in. When major applications are well made and well researched and considered, 6 months is the usual expected timescale.</p> <p>Significant delays are often caused by poor applications and /or when called in. Consideration could be giving more resources to planning departments to expedite planning applications.</p> <p>Consensus agreed that FGFP not looking for change of policy, but some alignment and clarity around the key agencies policy areas and ensure that we look at how we ensure that these processes are efficient and effective.</p> <p>How NDR and TIF interact is yet to be resolved and is a matter for Falkirk Council (FC) and Scottish Government. It is essential to expedite this as it will drive the debate on how FGFP retained rates are used. FC have been disappointed in the interaction so far, there was a meeting last week and FC have put forward some options. The pace of the interaction needs to be picked up and final guidance needs to be issued.</p> <p>Subsidy Control – new legislation is in conflict with the Green Freeport ethos / policy. This has not yet been defined and we don’t have answers to this at this time. Without some concessions the Seed Funding will be difficult to invest. This is an issue for all Freeports and will be put on the agenda of the UK SRO group meeting for all 11 Freeports. Legal advice is that the liability for Subsidy Control falls with the recipient of the subsidy.</p> <p>We require clarity about what the incentives are for inward investors and how these will be treated in terms of subsidy control.</p> <p>Long term sustainability of the Green Freeport will require a careful approach and the Board needs to ensure that we do not create something too big, too bureaucratic and too costly.</p>	
5	<p>Issues for the Board - Risk Register</p> <p>The Board accepted their role in the management of risk and identified the PMO as the risk champion.</p>	SW
6	<p>Any other Business</p> <p>The Communications and Engagement Group would like the Board to be aware of an MP, MSP briefing that takes place online on Friday.</p> <p>The Innovation group requires additional support and Sean Donaldson and Pamela Stevenson have stepped in to help.</p>	All

Action	Who	By
Local Authorities to bring forward an agreed, considered, and structured proposal for elected member involvement in the Board.	MB PL, KG	1 Aug 2023
The Steering Group to bring forward a revised Governance Structure for consideration by the Board	SW, LMCl	TBC
Induction Training for Board members to take place prior to the next Board. Include an option to add an Induction session immediately prior to the next Board meeting.	KA, LMCl	1 Aug 2023

Dates and key milestones for OBC development to be circulated to the Board	SW / LMcl	30 June 2023
Feedback to be given to Elin Williamson FW&S group lead on Fair Work Charter	SW/LMcl	30 June 2023
Produce Planning case studies with specific examples to inform the case for expedited planning	EL	23 June 2023
NDR and TiF interaction to be resolved and Green Freeport Final Guidance to be issued	AT/ KA / BJ	ASAP
Planning, NDR and Subsidy Control issues need to be resolved at pace as they are key drivers of the Green Freeport policy. We are looking for UK and Scot Gov to help support and resolve these issues.		ASAP

Distribution List			
Kyle Drummond	City of Edinburgh Council	Paul Ketrick	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