

Forth Green Freeport Governance Board #8
TEAMS Meeting
17th December 2024

Board Members in Attendance:		Other Attendees:	
Dame Susan Rice DBE	Chair	Laura McIntyre	PMO / Secretariat
Stuart Wallace	Forth Ports	Pamela Smyth	Forth Ports
Councillor Altany Craik	Fife Council	William McAllister	Scarborough Muir/FGF Opco
Councillor Alan Nimmo	Falkirk Council	Christopher Thomson	Scottish Government
Dave Moxham	Workers Rep	Eilidh Callum	PMO / Secretariat
Andrew Gardner	Ineos	Sarah Murray	Chief Executive Officer
		Malcolm Bennie	Falkirk Council
		Elin Williamson	City Of Edinburgh Council
		Pamela Stephenson	Fife Council
		Jo McCrea-Curlett	MHCLG
Proxies			
Blair Jamieson	Babcock		
William McAlister	Scarborough Muir		
Danny Cairney	Falkirk Council		
Apologies			
Ilgı Kim	Babcock		
Ronnie Muir	Scarborough Muir		
Amanda Templeman	Falkirk Council		

Agenda

No.	Agenda Item	Details	Actions
1	Welcome and Introductions		SR
2	Governance	Minutes of Board Meeting #7 (October 2024) The Minutes were approved.	CY

		<p>Action Updates</p> <ul style="list-style-type: none"> • Marketing Brochures are now complete. • Landowner Agreements to be covered later in the meeting. • Community Engagement Plans – the board would like better understanding of engagement plans from each LA team. A short verbal update to become a standing agenda item. Each LA updated as follows: <ul style="list-style-type: none"> ○ Falkirk Council have their plan complete and work is underway. The engagement plans are integrated across all investment programmes and cover members briefings, community councils and other interested groups e.g. Probus Groups. There is also overall integration with GFIB including a hub in Grangemouth Town Centre. ○ Fife Council has completed their engagement plan which includes members briefings, community engagement events, media landing pages and social media updates. ○ City of Edinburgh Council haven't undertaken any recent FGF-specific engagement. Previous engagement was focussed on gaining OBC/FBC support. As the same questions kept arising, the focus has been to wait until approvals are in place or there is substantive new information to share. <p>Chair's Update</p> <p>Listed below are several of the Chair's external engagements. She regularly finds interest in freeports and the FGF specifically and would encourage all members to talk and promote the FGF at any event/given opportunity. Face to face contact can be powerful.</p> <p>Events and Engagement:</p> <ul style="list-style-type: none"> • David Brown from Edinburgh University active in Grangemouth development, keen to be involved in the Freeport. • Tracy Gilbert MSP for Leith – Lord McConnell suggested a meeting with Tracy who is interested in the FGF. Chair and CEO to meet her in January. • Chair and CEO meeting with Deputy First Minister Kate Forbes on 18th Dec. 	
--	--	--	--

	<ul style="list-style-type: none"> • Conference on impact investing hosted by Napier University and held at Greenbank Investments; speaking in a GEFI capacity but opportunities to discuss FGF. • Paris symposium hosted by Accuracy – in a GEFI capacity but opportunity to discuss FGF. • Recent events and meetings with financiers in the Middle East where FGF was discussed. <p>Conflict, Gifting and Hospitality Register</p> <ul style="list-style-type: none"> • Chair was approached about an investment which would reflect a conflict for the CEO. She took it directly to relevant freeport colleagues. • Gifts register – Chair attended HMS Trafalgar night dinner in November as a guest of the MoD, and this should be added to register. <p>Matters for board attention and/or approval</p> <p>Governance-related documents were approved by the OpCo Board and have been shared with the governance Board. These include the scheme of delegation, RACI, diversity, recruitment and remuneration materials. All were approved by the Board. Chair reminded the group that, as the organisation comes into full operation, if the documents don't work as we need them to, they can be revised and brought back to Board.</p> <p>Babcock International have proposed that Ilgi Kim join the Governance Board. Ilgi is their Chief Commercial Officer for Babcock Marine with global responsibility for all areas of Babcock Marine (bio attached to Minutes). Ilgi currently sits on the OpCo Board and, to avoid delays, will retain that seat until the bank account is opened. Chair has met Ilgi twice and, based on his interest and the relevance of his role, she recommended that he become a member of the Board. His appointment was unanimously approved. PMO will advise Brodies upon the Chair's request.</p> <p>City of Edinburgh Council will revert in due course with a candidate for their seat on the Board. FGF Chair will meet the candidate to explain what's expected of board members, ensure their interest, and subsequently put them forward for approval.</p> <p>Brigadier Andrew Muddiman has informed the Chair, OpCo and fellow landholders of a new appointee who</p>	
--	--	--

		<p>will be the primary contact for all FGF matters – Captain Stuart Cantellow RN (bio attached to Minutes). Stuart is the new Commanding Officer of HMS Caledonia and will represent the Royal Navy. Brigadier Muddiman will continue his role as Naval Regional Commander Scotland & Northern Ireland.</p> <p>Chair congratulated Forth Ports on their recent announcement of another £50m of investment in Leith Port to support delivery of the 1.1gigawatt (GW) Inch Cape Offshore Wind Farm. It will create up to 50 new and upskilled green energy jobs to support the project</p> <p>SW noted that Kate Forbes would like one or two projects that she could help move forward; it would be helpful if partners can consider this opportunity and make some suggestions.</p> <p>Policy update The anticipated freeports policy statement from UK Government has been pushed back further and is now not expected until January.</p>	
3	Operations	<p>Chief Executive Officer Update – including forecasted budget.</p> <p>CEO asked for feedback on the style of her new update summary in the papers – does it work for the board and is it helpful? Please let Sarah or PMO know. Once members are content, a similar summary page will be proposed for subcommittee/working group reporting.</p> <p>Engagement with communities – SM happy to support. For example, she attended INEOS' recent community engagement event.</p> <p>Cllr Craik noted that, in terms of stakeholder engagement, the OpCo should make use of the local dimension, both its capacity and local intelligence. The willingness to support is immense and the Freeport should mobilise and use it.</p> <p>Capacity issues – Opening OpCo's bank account has proved challenging; there are currently two applications underway. Meantime the OpCo is unable to recruit. SM has asked the Freeports Hub if they can</p>	SM

	<p>back-fill with temporary support. She hopes to get some resource early in the new year.</p> <p>There has been some progress on the move from working groups to subcommittees; SM is engaging with stakeholders to identify potential subcommittee chairs for Innovation and Net Zero. Blair Jamieson from Babcock will chair for the Trade and Investment Subcommittee. The Audit and Risk committee will meet in the new year once membership is confirmed. The Security Working Group had its inaugural meeting in early December and the Infrastructure, Communities and Place subcommittee is active. Utilities are its main focus as these can hold up or compromise investment. Discussion about Seed Capital is about to kick off as the PMO considers all the business cases. As the deadline for submission has now passed, the PMO requested that any outstanding business cases are submitted ASAP. Any slippage or proposed timing differences must also be reported. PMO will submit the spending profile by 23rd Dec 24.</p> <p>While not as far forward with this work as hoped, there is a plan to take the matter forward. SM thanked all leads such as Elin and Erin and thanked the PMO team.</p> <p>In early January, a substantial trade and investment workshop with all landowners will discuss FGF's investment offer and the wrap-around support that's available. Working in partnership with both governments will be critical.</p> <p>SM noted that while skills providers are willing to engage, they may lack the flexibility to provide a tailored response to the needs of FGF. SM will continue to make this point with Government.</p> <p>UK Parliamentary reception – This was a positive event with a lot of engagement from key MPs and MSPs. Having so many people in a room with our key stakeholders was really fruitful and SM is keen to replicate this event in Edinburgh with MSPs for a “Team Scotland” event with Inverness and Cromarty.</p> <p>Hospitality register – SM to update, for instance with the SLR Green Event</p> <p>Landholder Agreements – This is proving to be a complex task. At a workshop OpCo held in early</p>	
--	---	--

		<p>December, a list of the remaining outstanding issues was agreed. SM is doing her best to speed up deliberations in order to reach the point of signing. Signing is critical to finalising the FBC and the release of Seed Capital. Chair urged landowners to keep this in sight and help bring the exercise to a conclusion.</p> <p>CEO was asked to explain the difficulty in opening a bank account and she responded that enhanced due diligence is the stumbling block. Banks have a know your customer process, which means they look into all the individuals on OpCo including the organisations for which they work and on TopCo. It's a long and tedious process. PS noted that Thames Freeport had similar challenges.</p> <p>Budget – CEO thanked Ross Jubin for his help in pulling this together. It was noted that the budget is an estimate/working draft, and the OpCo hope to anchor these figures as soon as they can. Given the issue surrounding bank accounts and subsequent inability to recruit at this time, salary costs and therefore Landowner contributions are likely to be lower than anticipated. The next iteration of the budget will reflect such assumptions.</p> <p>For 25/26, activities such as marketing and legal costs will lead to an adjustment in the anticipated budget. Based on estimations, the OpCo will likely need to raise the landholder contributions. It should be noted that the proposed increase to £1,250 per hectare is capped at £1,250.</p> <p>Amanda Templeman has emailed SM with budget questions from an Accountable Body perspective.</p> <p>MB noted that there appear to be inflationary increases across all costs except the Falkirk Council PMO costs. He requested that this be reviewed for consistency. SM stated that this was not intentional and will be addressed in future iterations.</p>	
4	FBC	<p>FBC Submission – Critical and Substantive Actions and next steps</p> <p>The response to all critical and substantive actions in the FBC was submitted on time on 4th December with the exception of the critical action in relation to the Landowner Agreement as discussed earlier.</p>	LMCI

		<p>The FBC team and CEO have some initial feedback on the NDR statement. While our governance is robust, we don't know if this will have satisfied both governments; they may come back with further challenge. Chair reminded the Board that it is responsible for final decisions.</p> <p>It is unlikely that formal feedback will be sent before Christmas. CT confirmed that we should expect feedback early in new year and noted that Government's focus on governance around NDR is based on Government's lessons learned from other freeports.</p> <p>Customs Site Approval</p> <p>HMRC have given verbal approval; their formal sign-off is likely to be after recess in the new year.</p> <p>MOU</p> <p>The Accountable Body reviewed and commented on the initial draft issued earlier in the year, but this was some time before FBC submission. They are expecting a new draft for review and discussion in the new year.</p>	<p>CT</p> <p>LMCI</p>
5	PMO	<p>Seed Capital and financial constraints</p> <p>These matters were covered in the updates above, but PMO issued a reminder that we must submit our final financial profile by the end of the week.</p> <p>Monitoring and Evaluation</p> <p>The first return was submitted to Government; it was not an onerous task at this time as there is no businesses currently within our tax sites so there was nothing to report.</p> <p>The format itself is straightforward and should be easy enough for end-users to complete. However, the content is meatier than expected with a significant number of indicators to be measured and reported. It should be noted that the indicator list has been significantly reduced from iterations used previously by other freeports.</p> <p>Reporting is required bi-annually and the next return is due April 2025.</p>	<p>LMCI</p> <p>LMCI</p>

		<p>The reporting requirements raise an additional requirement for OpCo attention – the creation and maintenance of risk registers for each tax site. PMO will work with OpCo to get these set up and operational before the next return.</p> <p>Freeports Accountable Body Forum</p> <p>A new accountable body forum has been established and is led by LMcl. Although there have only been a few meetings to date, the FGF Accountable Body has learned lessons from other Freeports around the UK. It's a good tool for sharing concerns and benchmarking</p> <p>Programme Risk Register – new and changed risks</p> <p>There were no new or closed risks on the risk register. However, the risk relating to Landowner agreement has been escalated and the risk owner changed from PMO to SM.</p> <p>The issue discussed around Seed Capital business case delays will be added to the register for its next review.</p>	
6	AOB	<p>Questions were raised about NDR governance and spending, LMcl noted that this had been covered in robust discussions and is set out in the FGF's investment policy (and in the FBC), ensuring that the NDR spend is aligned to the principles of Green Freeports policy. CT confirmed that NDR spend must be aligned to the Green Freeports Policy.</p> <p>Cllr Craik asserted that the Councils will be the final arbiter of NDR spend. Clarity is particularly important in relation to this matter and, as noted above, SM will continue to ensure a full understanding.</p> <p>Reflecting back to the discussion on M&E, CT stated that Government understands that M&E needs to be proportionate. They have worked hard to streamline the reporting but it is vitally important to show value for money on spending from the public purse.</p> <p>CT noted that Government have written jointly to the CEO on challenges and opportunities going forward, stressing that there are a lot of opportunities to keep dialogue going between FGF and government.</p>	

		<p>Site Visit – Chair is keen that the board occasionally visits partner sites and has asked that such visits be built in to future meeting agendas when suitable.</p> <p>Audit and Risk – Chair noted that many small organisations appoint an external person to their audit committee to offer a different perspective and this might be considered for the FGF ARCo. Perhaps a key partner or advisor who doesn't have a seat on our governance board may be suitable. Board reaction was positive; Chair will explore this further and update at the next meeting.</p> <p>She concluded with her view that the year had been a bit like hill-walking, when one sees the peak only to discover there is still another peak to climb and then another. But we are now almost at the top. Chair extended a big thank you to everyone for their hard work and input in getting us to where we are and in contributing to this board. She wished everyone a very happy festive holiday and extended best wishes for a healthy and prosperous new year.</p>	
--	--	--	--

Action	By	Date	Status
Community Engagement Plans from Local Authorities	LA Leads		In progress
Follow up meeting with KAG to be arranged	PMO	TBC	In progress
Landowner / end user agreements	OpCo	06/09/2024	In progress
Text /key messages for submission of planning applications	Comms Group	TBC	In progress
Sub-committees leadership and resources to be identified	OpCo	TBC	In progress
Chair to meet with CEC Board representative	Chair	TBC	Awaiting confirmation from CEC
PMO to instruct Brodies on new member representatives for Babcock and CEC	PMO	TBC	Awaiting go ahead from Chair
Meetings to take place with Tracy Gilbert MSP for Leith and Kate Forbes Deputy First Minister	Chair and CEO	1 st quarter 2025	DFM meeting - 18.12.24

Projects to move forward by Kate Forbes to be identified	All to review and advise SM and SR	Ongoing	
Feedback requested on CEO's new briefing summary paper	All to consider feedback and advise SM	Feb 2025	
OpCo budget to be updated and formalised for Board / Accountable Body	SM/ RJ	Mar 2025	
Risk Registers to be produced for each Tax site	PMO/ CEO	June 2025	
Site visits to be built into some Board meetings	Chair/PMO /host	Ongoing	
Finalisation of Audit and Risk Committee membership.	SR	TBC	

Decision Making Timetable			Progress
Date	Forum	Ask	
Post FBC Submission	Board	Board to approve Revised Governance	In progress
Post FBC submission	Board	Board to approve sub-committee ToRs and any delegated authority	In progress
March 2025	Board	Board to approve 5-year business and financial plan	In progress

Meetings Timetable			
Day	Date	Time	Venue
Tuesday	11 February 2025	10.00 to 12.00 hrs	TEAMS
Wednesday	30 April 2025	13.00 to 15.00 hrs	TBC (in person)
Wednesday	18 June 2025	10.00 to 12.00 hrs	TEAMS
Wednesday	27 August 2025	13.00 to 15.00 hrs	TBC (in person)
Wednesday	15 October 2025	13.00 to 15.00 hrs	TEAMS
Wednesday	10 December 2025	13.00 to 15.00	TBC (in person)

Annex- Biographies

Ilgi Kim

Chief Commercial Officer, Babcock Marine



Ilgi Kim is the Chief Commercial Officer for Babcock Marine with global responsibility for all areas of Babcock Marine strategy, business development, commercial management, legal and risk with a specific focus on long term strategic sustainable growth.

Prior to Babcock Ilgi has undertaken growth and commercial leadership roles at EY, Capita and Accenture amongst others covering both national and international public and private sector markets in industries including defence, transport, technology, life sciences and financial services.

Captain Stu Cantellow

BEng CEng MA PGCert PGDip MRAeS Royal Navy
Commanding Officer HMS CALEDONIA



Stu Cantellow was born in Lisburn, Northern Ireland and educated at Wallace High School. In 1996, he was awarded a place on the Royal Navy Engineering Sponsorship Scheme at Southampton University where he studied Aerospace Systems Engineering.

On graduation he joined the Royal Navy in 1999 as an Air Engineer Officer completing training in BRNC Dartmouth, HMS Sultan and RNAS Yeovilton.

His first complement job was Deputy Air Engineer Officer on 801 Naval Air Squadron primarily embarked in HMS INVINCIBLE operating the FA2 Sea Harrier. Following this in 2003 he was appointed to Strike Command Headquarters as a Staff Officer in the Harrier Role Office within No. 1 Group. In 2006, on completion of the Intermediate Command and Staff Course Maritime (ICSC(M)), he joined the Merlin Project Team and was responsible for the upgrading of Merlin Mk 2 flight and mission system software.

On promotion to Lieutenant Commander in 2008 he was appointed to the Engineering Policy Section within the Defence Equipment and Support organisation. The position subsequently became part of the newly formed Military Aviation Authority post the Nimrod Inquiry. In 2011, he completed a 7-month Op Tour in Bosnia as the Spokesperson for the European Union Force based in Sarajevo. In 2012, he became the Air Engineer Officer of 771 Naval Air Squadron operating Sea King Mk 5's in support of UK Search and Rescue from RNAS Culdrose. Following on from this he became the Senior Air Engineer Sea King at RNAS Culdrose, responsible for all maritime Sea King helicopters. In 2016 he was appointed to the Royal Naval Division of the Defence Academy as a member of the Directing Staff on ICSC(M) followed by a period as Deputy Director of the Division.

On completion of the Advanced Command and Staff Course, Stuart was promoted Commander in 2019 and assigned to the HQ of the Defence College of Technical Training. Here he led the Plans Team delivering projects in support of technical training. Following this he became Chief of Staff of the Defence School of Aeronautical Engineering, leading activity across all aeronautical training in defence. In 2023, he completed a year working in the People and Training Directorate in Navy Command Headquarters as Chief of Staff to Deputy Directors of Delivery and Support.

On promotion to Captain in 2024, Stu assumed command of HMS CALEDONIA.