

FREEPORT EAST SHADOW SUPERVISORY BOARD

MINUTES OF MEETING HELD ON 12 NOVEMBER 2021	
virtual meeting	
Present	George Kieffer (Acting Chair), Mark Taylor (Acting CEO, Hutchison Logistics), Clemence Cheng (Hutchison Ports), Anita Thornberry (Haven Gateway Partnership), Chris Starkie and Mike Dowdall (NALEP), Councillor Lesley Wagland and Steve Evison (Essex County Council), Councillor Neil Stock, Ian Davidson, Lee Heley and Tom Gardiner, (Tendring District Council), Michael Cousens (Project Manager), Councillor Suzie Morley (Mid Suffolk District Council), Michelle Gordon and Fiona Duhamel (Babergh and Mid Suffolk District Councils), Guy Gibson and Jai Raithatha (Suffolk County Council), Councillor Steve Gallant, Paul Wood and Andy Jarvis (East Suffolk Council) and Neil Glendinning (HHA)
Observers	
Apologies	Cllr Richard Smith (Suffolk County Council), Paul Davey (Hutchison Ports), Alex Riley (SELEP), Andy Burgess (Essex County Council) and Robert Edge (Haven Gateway Partnership)
1.	Welcome and introductions
	GK welcomed everyone to first meeting of the Shadow Supervisory Board and in particular the Elected Members of the local authorities and thanked everyone for their support so far, particularly the local government officers and East Suffolk Council as the Lead Authority.
2.	Minutes of the last meeting
	<ul style="list-style-type: none"> • The notes of the meeting held on 13 October 2021 were approved. • Support for working groups will be picked up outside the meeting. • Hutchison Ports to nominate a second board member as agreed within the Terms of Reference. CC to advise who. • GK confirmed that he had made contact with the Vice Chancellors of the University of Essex and the University of Suffolk in relation to representatives from higher education.
3.	Declarations of Interest
	PW will update and provide the necessary documentation at the next meeting.
4.	Timeline update – OBC Critical Actions & FBC Submission
	<ul style="list-style-type: none"> • The DLUHC have written to us outlining 5 critical actions that need a response by 19 November 2021. • The Government appointed consultants, Freeport Hub, have provided initial comments on our draft response. • Assuming the Government is satisfied with our responses, our OBC should be approved before the end of the year and our tax sites designated.

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	<ul style="list-style-type: none"> • FBC submission date is 4 March 2022. Final guidance from Government setting out what is required for the FBC is expected today. • In the Chancellor's recent Autumn Statement, three Freeports received tax site designation (Teesport, Humber and Thames).
5.	Revenue funding – latest statement of account
	<ul style="list-style-type: none"> • There are no changes from the previous meeting. • Legal support is being procured and the costs of this will be provided at the next meeting. • Miscellaneous expenditure – review location within the document. • None of the costs in relation to consultancy support (tax / planning / legal) have been drawn down at present but it is expected that the quantum may be much more than what is set out. • Government is offering additional draw down of capacity funding for all the Freeports. To date they've offered £300k for this financial year, out of a total pot of £1m. There is an option to draw down an additional £180k this fiscal year, if required. • The decision on whether to take the additional £180k needs to be made by the end of November. • Agreed to circulate the letter from Government to all members of the group. ACTION MC • A draft budget setting out Freeport East running costs will come forward to the next board meeting. ACTION MC
6.	Outline Business Case – Critical Actions 1-5
	<ul style="list-style-type: none"> • The response from Government setting out the critical actions had been circulated. • The aim is to have our response circulated to all stakeholders on 15 November 2021. ACTION MT • Following submission on 19 November 2021, there is an opportunity to amend our response if gaps are identified. • Additional information welcomed from partners that will assist with the critical actions. • Discussion regarding funding if the Government does not give the full ask for seed capital. There are various funding streams available from other government departments. Forward funding of retained business rates can also form part of the solution. • A huge amount of work is going on in the background in relation to the tax sites and potential projects on the horizon. Working hard to give the Government the confidence it needs around all three of our tax sites.

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7.	Governance & Incorporation – Freeport East Limited
	<ul style="list-style-type: none"> • Several meetings have taken place recently with the Monitoring Officers from each local authority. • Incorporation - have started to set out the potential areas of responsibility that the company would cover. Cllr Stock highlighted the fiduciary responsibilities of the individuals appointed as directors of the company and their potential liabilities. • Met with Solent Freeport who have a straightforward and simple non-trading model. The lead authority is Portsmouth City Council who provide HR, Legal and Finance support and host the employees. Each of the local authorities involved has a dedicated role and team. Agreed to share notes from the meeting. ACTION MC • A lot of work has taken place to flesh out some of the priorities and legal advice is being sought to assist with incorporation and directors’ liabilities.
8.	Recruitment – permanent Chair and Chief Executive job descriptions
	<ul style="list-style-type: none"> • Agreed to appoint to these roles post designation. • Draft job descriptions have been circulated for comment – comments to MT. ACTION ALL • A further discussion will follow with ESC to set out the best process for recruitment. • Looking for a high-profile individual for the Chair. The meeting noted that Thames Freeport had appointed The Rt Hon Ruth Kelly, former MP and Secretary of State, as Chair. • Remuneration offer – looking at comparison with other Freeports.
9.	Tax Sites – submission of updated maps to HMT
	<ul style="list-style-type: none"> • Discussions with HMT have been relatively straightforward. • Our intention is to designate all three tax sites at the same time, but this is not within our gift.
10.	Customs & Security – update following HMRC discussions
	<ul style="list-style-type: none"> • Policy around customs sites is evolving. • The Autumn Statement made no mention of custom sites. • There are still questions and general concern about how customs sites will operate inside freeports. • Hutchison Ports has applied to be a custom sites operator and discussions are taking place with HMRC around this. • The view from some operators is that it is not worth having a customs site. Hutchison Ports has prepared a paper on the issue of customs sites that has been sent to all local MPs. Agreed to circulate this paper to the group. ACTION PD
11.	Any Other Business

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	<ul style="list-style-type: none">• Governance will be brought back to next meeting.• Thought to be given to publicity and a launch event when we receive designation by reconvening the Communications Group.
	Meeting closed at 15:45
	Next Meeting: 10 December 2021