FREEPORT EAST | Felixstowe Gateway 14 Harwich

A GLOBAL FREEPORT FOR A GLOBAL BRITAIN

FREEPORT EAST LIMITED
SUPERVISORY BOARD

Minutes of a meeting of the Board of Directors of FREEPORT EAST LIMITED (Company) on 22nd July at Endeavour House, 8 Russell Road; Ipswich IP1 2BX

PRESENT:	NAME	POSITION	
	Mark Lemmon	Chair	
	Steve Beel	Chief Executive Officer	
	Dr Robert Singh	Director	
	Sir Christopher Haworth	Director	
	Andrew Lawrence	Director	(via MS Teams)
	Cllr David Beavan	Director	
	Cllr Ivan Henderson	Director	
	Cllr Vicky Armstrong	Director	
	Cllr Peter Harris	Director	
	Cllr Richard Winch	Director	

IN ATTENDANCE:	NAME	ORGANISATION	
	Marie Finbow	Freeport East	
	Simon Papworth	Freeport East	
	Daisy Newton	Freeport East	
	Andy Burgess	Essex County Council	
	Michelle Gordon	Mid Suffolk District Council	
	Laura Mayne	Freeport East	(via MS Teams)
	Steven Wilson	Freeport East	(via MS Teams)
	Sophia Padget	Freeport East	(via MS Teams)
	Lorraine Rogers	East Suffolk Council	(via MS Teams)
	Paul Wood	East Suffolk Council	(via MS Teams)
	Helen Rudd	Harwich Haven Authority	(via MS Teams)
	Lisa Roberts	Suffolk County Council	(via MS Teams)

APOLOGIES:		
	Clemence Cheng	Director
	Cllr Andrew Mellen	Director

1. Notice and quorum

The Chair declared the meeting open.

2. Welcome and Introductions

The Chair welcomed attendees to the Freeport East Supervisory Board meeting.

The Chair extended a welcome to Cllr Vicky Armstrong and Cllr Peter Harris (both new Board Directors) and Cllr Richard Winch, who was attending on behalf of Cllr Andy Mellen.

Apologies for absence were received from Clemence Cheng and Cllr Andy Mellen.

Andrew Lawrence had submitted his apologies in advance and would join the meeting via Microsoft Teams at 3.00pm.

3. Minutes of the last meeting

The Minutes from the last meeting were reviewed.

The Board approved the minutes from the last meeting with no inaccuracies recorded.

14:32pm Cllr Peter Harris entered the meeting.

The board discussed the following actions.

FE 057 - Freeport East to develop a project proposal for Bathside Bay for consideration by Government in terms of the Strategic Sites Accelerator.

Action: Freeport East to share the updated offshore wind market analysis report for Bathside Bay.

FE 059 – Freeport East Skills Group Partnership to organise a seminar for 12-20 of the Heads of HR from the major employers across the region to evaluate the skills gaps.

The Board sought clarification on the extent of business engagement in Harwich and whether this activity had taken place. It was noted that the roundtable event has not yet taken place with employers, but that a number of skills-related events have been delivered through local colleges with external funding support. This action remains outstanding.

FE085 – Freeport East team to explore options for a further strategy session to inform future business rate expenditure.

The Chief Executive advised that a further strategy session will be held later in the year.

FE094 - Provide an overview of the MENTA ISF funded programme outcomes to Cllr Beavan.

A note was included in the Board pack to summarise the MENTA programme. Comments were raised in relation to specific examples of job creation.
Action: Freeport East to provide an updated overview of the MENTA ISF activities and outcomes.

FE084 – Freeport East Chair to write to Mid Suffolk District Council to confirm process for compliance with the occupier assessment, including a requirement for occupiers to

align with Freeport East objectives and a periodic review (i.e. 6 monthly) by the Board of the occupiers in the SIG.

Chief Executive confirmed this would be actioned shortly.

4. Declarations of interest

Directors present declared that they had no new interests which they were under a duty to disclose in accordance with section 182 of the Companies Act 2006 (The Act) in any existing transaction or arrangement or section 177 of the Act in any proposed transaction or arrangement with the Company or was otherwise required to be disclosed in accordance with the Articles.

Councillor Vicky Armstrong declared an interest in relation to the Felixstowe-Harwich-Shotley Ferry, as the project falls within her Councillor constituency. Cllr Ivan Henderson, representing Harwich Town Council, also declared an interest, noting the Council's support for a grant to the Felixstowe-Harwich-Shotley Ferry project.

No other declarations of interest were made.

5. Risk Summary & Work Programme Delivery Update

The Board **noted** the contents of this summary report.

Freeport East's Head of Governance and Resources presented an overview of the changes to the Risk Register since the previous Board meeting in April. The report provided a progress update on the delivery of Freeport East's Business Plan and Delivery Plan, together with an update on key risks and mitigating actions. The Board also received an update on progress across the tax sites, alongside highlights of activity delivered through the Clean Growth and Innovation Fund and the Skills Fund.

It was noted that a significant review has been undertaken of the Strategic Risk Register to reflect the current operating environment. The key highlights were discussed, and it was noted there are 20x risks on the risk register of these, 6x risks are rated as Red; 12x risks are rated as Amber; and 2x risks are rated as Green.

Highlights included:

Risk No. 20 – Supporting all Investment Opportunities through Extension of Freeport East Tax Benefits - it was noted that this was a new entry and reflected the risk that opportunities to attract and facilitate investment to locations outside of Freeport tax sites but within the Freeport East geography, and which deliver on the Freeports primary objectives (e.g. inward investment, increased trade & exports, etc). may be lost if appropriate support and financing mechanisms could not be implemented. This particularly applied to existing locally based businesses that wanted to expand but may not be suited to specific freeport tax site locations. It was noted that solutions to this risk

may include direct Freeport East funding to support these opportunities, or more optimally, further extension of support provided by Government Freeport model.

Risk No. 10 – Governance & Decision Making - Risk Score had increased from Amber (9) to Red(16) reflecting the risk of slow decision-making among partners impacting on Freeport East efficiency, combined with disproportionate governance, monitoring and reporting requirements. The risk has been amplified since the last discussion on the governance review actions had not provided clear progress forwards.

Risk No. 4 – Occupier Pipeline - Risk Score remains unchanged as Red (16) reflecting that the pipeline of investment opportunities continues to be slow-moving, but Freeport East continue to utilise a wide variety of marketing channels and partnerships to drive interest.

Action: Freeport East to circulate new Felixstowe Tax Site Marketing Brochure to the Board.

It was emphasised to the new Directors that delivery is monitored using a RAG rating system: Red indicates a significant delay, Amber indicates that progress is being made but issues remain, and Green indicates that delivery is on track.

It was noted that *Key Priority 2: Develop a public-private partnership strategy to support the further development of the Bathside Bay Green Energy Hub* remains Red, reflecting ongoing challenges and delays in progressing the required partnerships and delivery framework with Government.

Status of Gateway 14 – Solar Roofing: as noted in the delivery plan, there is ongoing engagement between Freeport East, Jaynic/Gateway 14 and individual businesses about the options for driving greater rooftop solar provision. This included The Range who were actively exploring options for significant solar PV installations on their 1.1m sqft rooftop. It was also noted that Freeport East had been engaging UKPN, National Grid and the NESO in relation to the constraint of power export controls at Gateway 14, but it remained the case that this may not change until delivery of the Norwich-Tilbury transmission projects which would provide greater local grid capacity.

Andrew Lawrence joined the meeting at 14:54pm.

Bathside Bay freeport tax site: Concerns were raised regarding the lack of progress against this priority, which therefore remains rated Red. Progress is closely linked to the broader financing requirements of the wider development and is dependent on Government support and funding. However, positive engagement has recently taken place with the Crown Estate, National Wealth Fund and Office for Investment. An incremental delivery approach is being pursued, supported by seed capital investment which is currently being deployed to progress grid connections and local transport works. A further funding application has also been submitted by Freeport East to the Crown

Estate to complement further commitments of freeport capital and ongoing private sector spending on addressing planning conditions, ecological surveys and wider environmental studies. The focus is on progressing a number of smaller, deliverable elements of the overall scheme, including the small boats harbour and selected plots within Harwich, which may provide opportunities for external investment in partnership with HPUK. Despite the challenges, work continues to move forward. It was also noted that the longer-term planning conditions for the A120 associated with container terminal usage of the site could still act as a drag on current investment plans as they could undermine the long-term value of any short-term investment in the Green Energy Hub. For this reason the current section 73 planning application had relevance for securing investment in the freeport tax site.

Action: Hutchison Ports to provide update in relation to A120 section 73 planning application.

It was highlighted that both Assan Panel and the Stowmarket Innovation Gateway are now operational and open for business and widely considered to be strong successes for Freeport East, Gateway 14 and Mid Suffolk District Council.

Sir Chris Haworth entered the meeting at 15:00pm.

The Head of Governance provided a brief update on progress of the 14 Priority Projects in the Transport Masterplan which provides a strategic blueprint for enhancing key infrastructure and local transport enhancements.

It was noted that all of the projects funded through our Clean Growth and Innovation and Skills grant funding initiatives are now substantially complete but we continue to wait on some key organisations to submit their financial requests. The dashboard of this was shared to the Board.

The Chief Executive highlighted that discussions were ongoing in relation to a follow-on project with Road to Logistics (RtL) that would focus on the Tendring District and supporting up to 30 learners to train as HGV drivers or in related logistics roles. Previously, Freeport East had provided funding for RtL to work with learners in the Felixstowe area and since then RtL had developed a broader partnership with Suffolk New College to support further training in the region.

The success of the University of Essex's Cyber Innovate to Elevate programme was highlighted. Freeport East were in discussion with the University and MSDC to deliver a follow-on programme based at the new SIG at Gateway 14.

6. Government Policy update

The Board **noted** the contents of this summary report.

The Chief Executive provided an update on Government engagement and delivery of the Industrial Strategy Zone Action Plan.

The Chief Executive highlighted recent discussions with Government officials to review, expand and strengthen the Freeport policy. A draft letter has been submitted to officials, and there is a desire to promote pro-growth proposals in collaboration with other Freeports using evidence of successes to date.

7. Finance & Audit Committee Update

The Board were requested **to note** the contents of this paper.

The Finance and Audit Committee met on 7th April 2026 and reviewed the financial risk register, the draft budget outturn for 2025/26 and the operational budget report for 2026/27.

The Chair gave an update that the Committee reviewed the disbursement schedules for seed capital and grant funding and the latest Business Rates Forecasts. At the recent meeting the Accountable Body provided a brief update on the outstanding actions following their Internal Audit on the role of the Accountable Body. The Committee also reviewed the draft Forecast Business Rates Statement for 2026/27 and discussed the financial risk register and noted two changes to risk ratings.

The Chair emphasised a particular interest to the Committee was the Freeport East Cyber Security diagnostic exercise which will be delivered by the University of Essex as part of the wider Cyber Innovate to Elevate scheme. The project will commence in August and includes a cyber security audit, development of a governance framework for Freeport East and resilience training for Freeport East employees. The project is expected to conclude in November and is funded by Innovate UK and provided at no cost to Freeport East (total project costs are estimated to be around £14,000).

The Board welcomed the project and expressed its support for the initiative.

The Chair provided thanks to Dr Robert Singh for his support for this opportunity with the University of Essex.

8. Rates Reconciliation Statement for 2025-26

The Supervisory Board were asked to approve the draft Rates Reconciliation Statement for 2025-26 FY at Appendix 1.

The Chief Executive provided a brief update to the Board around the Rates Reconciliation Statements which are essential for the allocation and transfer of retained business rates in accordance with the Freeport East Local Growth & Investment Strategy.

These statements produced by Freeport East annually set out the retained business rates received from each tax site and show how that income is used to support the

Freeport East delivery costs, allocated across the different Pots and then paid to the relevant parties.

The Finance and Audit Committee recommended that the Supervisory Board approve the draft Rates Reconciliation Statement for FY 2025/26, as set out in Appendix 1. The Supervisory Board was asked to consider and approve the statement.

Following consideration, all Board members present raised their hands in favour of the proposal, and the Supervisory Board unanimously approved the draft Rates Reconciliation Statement for FY 2025/26.

Action: Freeport East to arrange a teach-in on Retained Business Rates for our new Directors.

9. Update on indicative funding allocations

The Board were asked to note the update on indicative funding allocations.

The Board noted the update on indicative funding allocations arising from retained business rates. At the previous Freeport East Board meeting, agreement was reached to earmark funding for a number of priority projects, including tax site development, delivery of the Transport Masterplan's 14 priority projects, and initiatives to support private sector growth beyond the tax sites.

Discussion focused on the importance of supporting growth opportunities that align with the Industrial Strategy and Freeport East's priorities around trade, investment and economic development.

Under the proposed private sector growth indicative allocation of £1m, the Board considered a specific case study that illustrated some of the existing market failures that inhibit the growth of high-value, high-potential local businesses, particularly in the manufacturing and trade sectors. A model for financial support was discussed that was in the form of patient investment capital and could be used to address the gaps in the current freeport model and therefore directly respond to Risk Number 20 that was highlighted earlier in the Board meeting. In effect, it was proposed that a pilot financial support approach could be applied in this case that would enable a high-potential local manufacturing business to expand and grow into new, high quality premises, creating new jobs, increasing exports and facilitating new R&D and innovation in the region.

It was noted that any such funding would be subject to the appropriate governance processes and subsequent approvals in accordance with Freeport East's delegation arrangements, and that if this approach was developed further with the relevant business then the Executive would return to the Board with further detail in due course.

Action: Freeport East Executive to develop the case study approach and return to the Board with a detailed proposal for this specific opportunity in due course.

A wider discussion on the opportunity that this approach might provide highlighted some of the following observations and comments:

- The importance of ensuring actions of Freeport East stayed within our operating mandate and consistent with the Company's Objectives;
- Recognition that a one-off approach developed with one specific case study would be treated as a pilot, whereas future allocations of similar funding would likely need to go through a broader, transparent distribution process;
- The benefits of extending the impact of Freeport East's activities and particularly to ensure that locally-based businesses were not disadvantaged by the specific location of existing freeport tax sites, or the concerns often raised about not supporting displacement;
- The importance of supporting local business and job growth as close to current operating locations as possible, so as not to undermine existing employment opportunities and their communities;
- The importance of aligning any funding support within the terms of the Subsidy Control Act, either through the Schemes previously published by Government or standalone subsidy control assessments if required
- The need for appropriate due diligence to support any decision-making process, including, over time, evolving the present structure of Committees to assess any forms of investment

The Board noted the update on indicative funding allocations and expressed its support for the continued development of this approach, subject to the necessary business case development, due diligence and governance approvals.

The Board also discussed a proposal from Sir Chris Haworth to consider a further investment mechanism that could be delivered using proceeds from Gateway 14 that were being returned to Mid Suffolk District Council as primary shareholder. A number of possible means of leveraging this funding or aligning with other new investment mechanisms (such as the regional investment fund backed by the British Business Bank) were also discussed.

It was noted that any such proposals would need to go through appropriate governance and decision-making in other organisations but there was strong support for bringing together new funding mechanisms that could respond to local market failures, particularly in the SME financing sector. It was agreed that as part of their wider development of models for supporting private sector growth, the Freeport East Executive would explore further this approach that could be shared with the Board, Gateway 14 and MSDC in due course.

Action: Freeport East to develop models to support an approach for allocation of new investment funding from Gateway 14/MSDC to support local business growth.

10. Update on Transport Masterplan Priority Project Felixstowe-Harwich-Shotley Connectivity

The Board received an update on Transport Masterplan Priority Project No 13 (Felixstowe-Harwich-Shotley Connectivity).

It was noted that there are challenges associated with increasing the capacity and operation of the ferry service, particularly in relation to berthing arrangements at Felixstowe and wider port development considerations. The current approach is therefore to support an incremental increase in service provision to test demand and deliverability, particularly by extending the number of months operated per year.

Members also heard about complementary initiatives supporting the visitor economy, including the funding secured from Greater Anglia for e-bike provision within the harbour area. The Town Council, Shotley Marina and other local stakeholders have demonstrated strong support for these initiatives.

Freeport East proposes to provide funding of up to £150,000 over a three-year period to support an extension of the ferry's annual operating season. Progress updates will be reported back to the Board as the project develops and is implemented.

The Board discussed historic passenger data, including seasonal demand patterns and the impact of weather conditions on service usage. Stakeholders have expressed a desire for a year-round service; however, current discussions are focused on extending operations by up to two months during the winter period as a more achievable and sustainable option.

The Board noted the proposed next steps and delegated authority to the Chief Executive to finalise arrangements for funding of up to £150,000 over three years to extend the annual operating window of the Harwich Harbour Foot Ferry.

It was noted that Mid Suffolk District Council has commissioned audience segmentation research to better understand current ferry users, identify target markets, and highlight opportunities to grow passenger numbers through enhanced marketing activity. This work will help support the ferry operator in developing and expanding the market for the service.

Action: MSDC to share recent reports and analyses with the Freeport East team.

Andrew Lawrence left the meeting at 15:53 and the Board are no longer quorate for decision making items.

11. Comms Update

The Board were asked to note the Comms report.

Thanks were provided from Cllr Ivan Henderson to the Freeport East team for the recent summer reception which was very well received.

12. Forward Plan

The Board were asked to note the Forward Plan.

It was noted that next Supervisory Board meeting along with Annual General Meeting will take place at Stowmarket Innovation Gateway in the Rachel Eburne Room.

13. Any Other Business

No other business was disclosed.

14. Close

Meeting closed at: 16:40pm

The next meeting is scheduled for 24th September 14:00 pm – 16:00pm

Mark Lemmon Chair

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