

**Minutes of a meeting of the East Midlands Freeport Board held on 11 May 2023
at Space Park Leicester.**

PRESENT

Nora Senior – Independent Chair

Landowners/Developers

Phil Canning – Uniper
Peter Ralston – Goodman
Ioan Reed-Aspley – East Midlands Airport
Frank Robotham – Maritime Transport
Julie Rossiter – Etwall Land Limited
Imogen Smazanovich - SEGRO

Local Authorities

Mr Lee Breckon CC – Leicestershire County Council
Councillor Barry Lewis – Derbyshire County Council

Accountable Body Officers

John Sinnott – Chief Executive
Nick Wash – Head of Service, Finance
Gemma Duckworth – Senior Democratic Services Officer

Also in Attendance

Councillor Andy Edyvean – Rushcliffe Borough Council
DLUHC Official
Bethan Lloyd – Bevan Brittan
Tom Newman-Taylor – Chief Executive, East Midlands Freeport

Apologies for absence were received from Councillor Keith Girling and Andrew Pilsworth.

1.	<u>Declarations of Interest.</u> The Chair invited members who wished to do so to declare an interest in respect of items on the agenda. No declarations were made.	
2.	<u>Minutes.</u> The minutes of the Board meeting held on 13 April 2023 were taken as read and confirmed as a correct record.	
3.	<u>Action Log.</u>	

	<p>The Board considered the log of completed and outstanding actions.</p>	
<p>3.</p>	<p><u>Chair's Update.</u></p> <p>The Chair provided the following update:</p> <ul style="list-style-type: none"> • Following a discussion at the last Board meeting, the response to Sir John Peace's letter had been submitted. His response had been very supportive, particularly in respect of the importance of promoting EMF, and was welcoming of the aspirations for an Innovation Hub. • A letter from Dehanna Davison, Minister for Levelling Up in the Department for Levelling Up, Housing and Communities had been received, following a joint letter to the Secretary of State from the Chair and the Chair of the Midlands Engine, in relation to the exciting opportunities presented by SmartParc; this would be circulated to Board members. There had been no further progression with marking SmartParc a tax site, but this would continue to be pursued. The letter also discussed Investment Zones and a five year tax package, which was identical to that offered to Freeports. • A meeting had taken place with National Highways, hosted by East Midlands Airport, which had accelerated an understanding of the importance of the East Midlands Freeport as an inward investor to the region. Midlands Connect was establishing a Task and Finish Group to produce a prospectus in the infrastructure context of all the projects which were currently underway. • A number of events were due to take place where the Chair would be attending, including UKREiiF the following week and the Midlands Economic Summit in June. • It had been agreed that the formal launch of the EMF would not take place in June; this would occur later in the year. • A meeting of the Freeport Chairs would be convened in June. One of the items intended to be discussed was the impact of extending the tax window. 	<p>NS</p>
<p>4.</p>	<p><u>CEO Update.</u></p>	

	<ul style="list-style-type: none"> • Three members of staff were due to commence in post very soon and some staff from the Accountable Body had been seconded into temporary roles. The back office functions were still to be confirmed. • Monitoring and Evaluation reporting was due to be undertaken this month. • The Comms Subcommittee was due to meet in the coming weeks, and the focus would be the formal launch of the EMF. • Work was currently underway on updating the project plans for allocation of seed capital funding. • A meeting was due to be held with the East Midlands Development Corporation. 	
5.	<p><u>Reflections on the Trade Workshop.</u></p> <p>Michael Green and Amy Lambert from the Department of Business and Trade (DBT) attended the meeting following their two day visit to EMF and its tax sites.</p> <p>One of the DBT's main roles was to accelerate connectivity to investment markets and to engage investors with EMF and other Freeports. The team was currently working on a core document relating to the EMF around investor facing propositions. It was anticipated that it would take around 4-6 weeks to produce a first draft of this document, after which it would be circulated to the Board for comment before being formally launched.</p> <p>Events were seen as a good opportunity to promote the EMF and connect with investors, and DBT offered to provide support to Board members at any events where they wished to represent the EMF. Michael stated the intention to promote Freeports at the forthcoming Global Economic Summit, which was to be hosted by the Prime Minister. There would also be a session at the next SRO Forum on 'freezones'.</p>	
6.	<p><u>CSO Status and Timeframes.</u></p> <p>The Board received a presentation from Vaughan Shayler, Space Park Leicester, on becoming a CSO and the work which had been and was being undertaken. He stressed the importance, noted by the Board and DBT, of promoting the benefits of customs sites as well as tax sites.</p>	

	It was agreed that it would be useful to consider how to communicate further with CSOs and potential CSOs.	TN-T
7.	<p><u>Update on Subsidy Control/Wider Governance Issues.</u></p> <p>The Board was provided with an update on subsidy control.</p> <p>In terms of wider governance issues, Board members were reminded of the need to sign a number of documents, including the Members' Agreement, the Retained Business Rate agreement, the appointment of directors and members and giving delegated authority to approve other governance documents. This would be decoupled from the outstanding subsidy control issue. The aim was for these to be completed by 20 July as no seed capital funding would be released until the documents had been signed. A further discussion would take place at the Ops Forum in order to understand the individual requirements of all organisations.</p>	TN-T
8.	<p><u>DLUHC Update.</u></p> <p>A DLUHC official provided the following update:</p> <ul style="list-style-type: none"> • DLUHC was keen to release the seed capital funding as soon as possible. The longer the EMF took to sign the MoU (which was currently being checked by the EMF Chief Executive), the less time there would be in the current financial year to spend the seed capital available. No money would be released in the next financial year until the previous year's allocation had been spent. • Discussions were taking place with the UK Infrastructure Bank around the possibility of forward funding. • Work was taking place with the Planning Advisory Service to get its support. 	
9.	<p><u>EMF Budget.</u></p> <p>The Board received a presentation on the EMF Budget. It was noted that there had been an underspend of £155,000 in 2022/23, but the forecast position for 2023/24 was worse than initially anticipated due to a lower amount of retained business rates received, a larger amount being spent on legal support, higher</p>	

	<p>insurance quotes and the requirement to pay VAT on non-staffing costs.</p> <p>Consideration was currently being given to how to recover the VAT costs and a number of other proposals would be explored over the coming months, including the possibility of charging a fee to members for certain services. The options would be discussed at the Ops Forum and S151 Officers Group before presenting a report to the next Board meeting on addressing the cash flow issue.</p>	TN-T/NW
10.	<p><u>Tax Site Update.</u></p> <p>The Board received an update on the East Midlands Intermodal Park from Severn Trent Water/Etwell Land Limited.</p>	
11.	<p><u>Date of Next Meeting.</u></p> <p>The next meeting of the Board would take place on 15 June 2023 at 2.00pm at County Hall, Glenfield, Leicestershire.</p>	

2.00 – 4.55pm

11 May 2023

Chairman