

Minutes of a meeting of the East Midlands Freeport Board

Held on 28 March 2025 at 11am

**At the Zero Carbon Innovation Centre, Triumph Road, University of Nottingham, Nottingham,
NG7 2TU**

PRESENT

Nora Senior – Independent Chair

Landowners/Developers

Phil Canning – Uniper

Steve Griffiths – East Midlands Airport (EMA)

Stewart Kellie – Etwall Land Limited (ELL)

Andrew Pilsworth - SEGRO

Peter Ralston – Goodman

Frank Robotham – Maritime Transport

Local Authorities

Leanne Ashmore – Rushcliffe Borough Council (RBC)

Mr Lee Breckon – Leicestershire County Council (LCC) (Via Microsoft Teams)

Councillor Neil Clarke – Rushcliffe Borough Council (from 11.17am)

Councillor Keith Girling – Nottinghamshire County Council (NCC) (until 2.40pm)

Richard Grice – East Midlands Combined County Authority (EMCCA) (until 2.40pm)

Derek Highton – Nottinghamshire County Council (until 2.40pm)

Councillor Tony King – Derbyshire County Council (DCC)

Councillor Keith Merrie - North West Leicestershire District Council (NWLDC)

Councillor Stephen Taylor – South Derbyshire District Council (until 12.44pm)

Allison Thomas – North West Leicestershire District Council (NWLDC) (Via Microsoft Teams)

Accountable Body Officers

John Sinnott – Chief Executive (Via Microsoft Teams)

Nick Wash – Head of Finance

Executive Delivery Team

Jonathan Bretherton – Strategic Commercial Adviser (until 1.17pm)

Dan Cooper – Head of Communications and Inward Investment

Lauren Dunn – Executive Support Assistant (Via Microsoft Teams)

Katie Greenhalgh – Head of Green Growth and Inclusion

Naomi Kwasa – Governance and Committees Lead

Paul Miller – Head of Operations and Programmes

Tom Newman-Taylor – Chief Executive

Also in Attendance

Felicity Clayton – National Highways for Item 9 (Via Microsoft Teams)

Richard Hiscoke – Bevan Brittan for Item 11 (Via Microsoft Teams)
MHCLG Official (Via Microsoft Teams)

1.	<p><u>Apologies for Absence</u></p> <p>Apologies were received from Julie Rossiter, who was represented by Stewart Kellie. Apologies were also received from Justin Ives, Joe Battye and MHCLG Official.</p>
2.	<p><u>Declarations of Interest.</u></p> <p>The Chair invited members who wished to do so to declare an interest in respect of items on the agenda. No declarations were made.</p>
3.	<p><u>Minutes.</u></p> <p>The Chair noted that the minutes of the meeting held on 26 February 2025 had been circulated and that italicised text indicated information that was to be redacted for publication.</p> <p>An amendment to the minutes was requested from Goodman. The Minutes were AGREED as a correct record, subject to the amendment.</p>
4.	<p><u>Action Log.</u></p> <p>The Board NOTED that actions from its previous meeting(s) had been completed, overtaken or were on the agenda and NOTED the list of outstanding and completed actions since the last meeting.</p> <p>EMF CEO noted that EMF's role in relation to security across the Freeport sites had been discussed at the EMF Annual Performance Review (APR) with Government earlier that week and he confirmed that MHCLG have removed this part of the End of Year Performance Appraisal process. However, a Security Forum meeting was held earlier in the month and would report into the Audit, Risk and Compliance Subcommittee which has been postponed to align with the results of the APR. He also noted that the Public Affairs Plan, along with an update on the work of 5654 & Company would be presented at the April Board meeting.</p> <p>A comment was raised that actions on the log should not be marked as closed if they are due to be discussed at the Board meeting, as the Board must be comfortable that these actions have been completed. EMF CEO AGREED that, going forwards, the action log could be moved to the end of the agenda to ensure actions are not closed prematurely without the Board's consideration.</p> <p>In regard to the action to write to MHCLG regarding the Government's indicative policy reforms, it was confirmed that conversations have been taking place on a working level between EMF and tax sites.</p>
5.	<p><u>Chair's Update</u></p>

	<p>The Chair provided an update to the Board. She highlighted that the East Midlands Zero Carbon Innovation Centre (EMZCIC) launched this month and there was lots of potential interest in joint research.</p> <p>The Chair had had a positive introduction meeting with Uniper's UK Company Chair Mike Lockett and EMCCA. Discussions focused on developing a shared approach to site development going forwards and she noted this will be followed with a further discussion at a meeting in the summer.</p> <p>In regard to Subcommittees she noted that these would now be stood up fully and that Chairs were in place for all Subcommittees except the Delivery Subcommittee. She noted that the EMF CEO will be the Interim Chair whilst a permanent independent Chair is found and support from Board on this would be appreciated. She emphasised the importance of named senior representatives being members of the Subcommittee and noted that the EDT are still waiting for nominations to the Delivery Subcommittee from Derbyshire County Council (to be confirmed post-election), Etwall, Goodman, LCC, SDDC and Uniper, and that named representatives at a senior level would be expected from all partners.</p>
6.	<p><u>Chief Executive's Update</u></p> <p>EMF CEO noted that a written update had not been provided considering the length of the agenda pack. He confirmed the EDT are working to ensure papers are as clear and concise as they can be and that the Board are given sufficient time to read them.</p> <p>He highlighted that EMF's Annual Performance Appraisal with Government and LCC, as the Accountable Body, had taken place this week and that although the outcome would not be known until April it was a very useful conversation and a broad endorsement of EMF's approach and the direction within the Business Plan to focus on unlocking the tax sites.</p> <p>In response to a question about whether Freeport policy decisions ultimately rest with the Freeport Minister, the MHCLG official confirmed that these are cross-Government as discussions include funding and financing, finding ways of unlocking future retained business rates (RBR) and what Government can do to support that.</p> <p>EMF CEO noted that TSIGR forms have now gone out to the first three occupiers on EMG1 and that once these forms are received back EMF will aim to turn them around within five weeks to send onto Public Sector Directors and then Billing Authorities for decision.</p> <p>He also thanked MAG, SEGRO and Freeport colleagues for the useful EMAGIC community forum which took place recently.</p> <p>A comment was made that it would be helpful to adopt a consistent approach to the circulation of supporting information regarding reports presented to Board and that appendices are either uploaded to SharePoint or included in the pack itself. This was NOTED.</p>

7.	<p><u>Member Update – EMCCA</u></p> <p>An update was provided by EMCCA's Interim Executive Director of Place. He noted that EMCCA was now a year old and had grown to a staff of around 120 people. He noted a focus on the Local Growth Plan, a document mandated by the Government with core links to the Government's upcoming Industrial Strategy. The Local Growth Plan would be shared with Government in June and then published in the summer and will include EMCCA's plans for advanced transport manufacturing (planes, trains and automobiles), aggregates and mining (with a focus on decarbonisation) as well as the biotech, creative and digital sectors. There will also be a focus on zero carbon energy, and the visitor economy. An initial version of this has been to the EMCCA Board in March alongside a spatial vision which highlights the places EMCCA will be investing in and how, the primary cluster being the Trent Arc - the corridor linking Nottingham to Derby and into South Derbyshire. The Freeport sites are a key component of this Trent Arc vision. He CONFIRMED these papers will be shared with the EMF Board.</p> <p>He noted that EMCCA are on a very positive path towards closer alignment with the Freeport and that there is a way to go in terms of governance, but this is moving in a positive direction and will be further considered after the EMCCA Board meeting in June</p> <p>The Board discussed how EMCCA will not have a formal role as a Transport Authority until April next year and that there is no suggestion that statutory highways responsibilities will move away from the County Councils however, EMCCA have a convening role to play and will become increasingly more involved in highways funding and decisions which will be relevant to the work of EMF. It was also noted that it would be useful for EMCCA to forge relationships with the Local Planning Authorities, and it was AGREED that meetings would be convened between EMCCA and NWDLC specifically.</p>
8.	<p><u>Business Plan and Budget</u></p> <p>EMF CEO introduced the report and thanked those who had reviewed the working drafts of the Business Plan. He reflected on the outcomes of the 2024/25 Business Plan and provided reassurance that for 25/26, the core mission of EMF has not changed. He noted that the principles of how EMF plans to operate is crucial with a much more site-specific approach, wanting to focus on the pace of delivery for 2031 whilst being open and realistic around the risks. Furthermore, it will require the combined effort of all organisations to deliver the FBC, and all Freeport Directors around the table have a duty to the company and the objectives of the Freeport. This will feed through into how the Delivery Team operate, including stepping up the PMO role and being very clear where there are specific actions or requirements of individual members.</p> <p>He noted that the priorities for 2025/26, as presented in February, were to; make tax sites 'investor ready', 'promote good growth' and 'undertake targeted engagement activities' including with Government and leveraging support on unblocking problems quickly.</p> <p>Regarding continuous improvement of the organisation he noted there was a core resource ask but that this was fairly modest in terms of the step up in expectation of EMF's activities and the EMF team. It was commented that bringing in technical expertise and experience to make the sites delivery-ready felt like a good investment aligned to a</p>

clear priority, as highlighted in the work of the Strategic Commercial Advisor, who will be joining the EMF SLT on a more permanent basis.

EMF CEO then noted that the principles previously discussed had been translated into priority action plans which are both site specific and cross-cutting, and could be found at Appendix B.

The Board had the opportunity to discuss the Business Plan, and the following points were raised;

- Request that when information relating to specific sites is presented to the Board, that this be shared with key stakeholders beforehand. This was **AGREED**.
- To consider a strategic workstream covering geopolitical impacts on EMF (threats and opportunities), including, for example defence spending and tariffs. It was **AGREED** that this can be picked up in the work of FT Locations. The Interim Executive Director of Place noted that EMCCA is looking at the opportunities created by increased defence spending.
- Macroeconomic risks should be included in the risk table and discussed at Board.
- Stylistically, there are statements in the document that cover what EMF will not do – it was suggested that the plan should focus on positive and actionable content – the Chair **AGREED** to take this away for consideration, being mindful that clear expectations need to be set on what does not fall within the remit of the Freeport.
- To consider underlying assumptions and incorporate into future Business Plans, including downside and upside sensitivities. The Chair confirmed that this plan allows EMF to understand the baseline and create a clear direction of travel for a longer-term Business Plan next year.

EMF CEO asked the Board to provide any specific comments on tax site information in Appendix B from relevant TSOs within the next week.

LCC's Head of Finance then presented the information on Financials & 2025/26 budget. Regarding seed capital it was noted that EMF are awaiting clarification from MHCLG on the scope for using this funding beyond 25/26 and MHCLG have confirmed they will provide additional information shortly.

EMF CEO directed the Board to the budget proposal for the next financial year. He noted that the approach is a significant ask compared to previous years and is split between the core operational expenditure and project operational expenditure. He noted there was more work to be done on refining those numbers and the relevant gateway processes. He noted that the funds do not include seed capital allocations, and it has been made clear where a seed capital ask is expected. He noted that EMF will continue to work with partners on match funding, and with the Combined Authority on where there may be a shared funding approach.

The Board had the opportunity to discuss the budget, and the following points were raised;

- Caution may be required when allocating money to accelerate projects which may be impacted by external factors, therefore it is important to deliver in a phased approach, especially in the context of uncertainty of future revenues.
- The Board must be comfortable that every pound spent is necessary and provides value for money and that projects are undertaken at the right time.
- Acknowledgment that the level of detail underpinning the projects varied, and there was a risk of underspend given the size of the envelope, especially within one year. LCC Head of Finance confirmed that the envelope could be agreed without specifying that it be spent within one financial year.

Following the discussion it was **RESOLVED** that Board **AGREED** the recommendations to;

1. **Note** EMF's progress against last year's business plan (Appendix A)
2. **Approve** the business plan and associated annexes for 25/26, subject to any detailed comments on Appendix B from TSOs.
3. **Discuss** and agree respective roles and responsibilities of Member organisations in delivering this business plan.
4. **Agree** that Action Plans, Delivery Plans & Risks at Appendices B, C & D form the basis of reporting (e.g. into the Delivery Subcommittee).
5. **Agree** the Delivery Team will implement the workstreams specified in the Business Plan, consistent with the Members' Agreement. This will be subject to agreed gateways for specific programme spend (i.e. where business cases require approval from Public Sector Directors).
6. **Confirm** the budget envelope and resource plan: including core operating budget of £2.575m and project operating budget of £2.15m (to be approved through further Public Sector Director gateways).
7. **Note** the latest position on EMF's RBR forecast and income in the main Finance paper.
8. **Agree** that Billing Authorities must work urgently with EMF and the Accountable Body to resolve this position and also to mitigate this risk arising in future years.
9. **Note** that for this budget to be affordable, the cash flow loan to LCC would now not be paid until the 26/27 financial year. LCC have indicated that this is acceptable subject to the EMF Board agreeing to a letter of comfort being sent from the EMF Chair to LCC giving assurance that the loan will be repaid in full by the loan backstop date of the 31st March 2027.
10. **Agree** that the EMF Chair writes the letter of comfort to LCC following the outcome of the external audit and presents this to Board for final approval.
11. **Note** the read-across with Investment Strategy paper (including RBR and seed capital).
12. **Agree** EMF can produce an abridged version of the Business Plan (not including annexes or financials) to publish in April.

9. **Update on Transport and J24**

Councillor Taylor left the meeting at 12.44. The meeting was still quorate.

EMF CEO introduced the report which set a way forward for coordinating a solution to transport and related planning caps which present the biggest strategic risk to delivery of

the Freeport. He noted that the proposal was to take the lead at this phase with the potential to hand this work over down the line to EMCCA.

EMF's Strategic Commercial Adviser noted that certainty was required in order to create an investable proposition. This would require a cocktail of funding, including potentially using RBR upfront and creating confidence that this will be repaid. There is therefore a need to create a multi modal transport approach and the ask for the Board is to agree the creation of the environment to enable this to happen. This would start with the Wider Integrated Strategy for Road and Rail (WISERR) project, which is already in hand, following up with transport modelling/ cumulative transport assessment, as necessary, through to developing a framework infrastructure plan, a framework business case and then individual business cases for projects such as M1 J24. There will also be an ask of Treasury.

The Chair asked Felicity Clayton (FC) from National Highways to speak to the information presented and she noted that what has been laid out is a sensible approach in terms of pulling together of plans, understanding cumulative impacts and a collective understanding and consensus for derisking. She noted it was important to have a common understanding for the evidence base, impact and mitigations. She noted that National Highways are supportive of the approach being taken which seems pragmatic and they are happy to support where necessary.

EMF CEO asked FC to clarify the National Highways position in terms of being a funder/delivery partner. FC noted that National Highways are a Government body commissioned to deliver the Road Investment Strategy (RIS) so funding decisions are for Government; however National Highways are able to deliver upgrades on the network on behalf of third parties without funding coming through the RIS, and this could be the model here.

A comment was made on the importance of working together to improve transport connectivity so that local plans can be successful. It was also noted that residents who will be affected by increased traffic should not be forgotten. Further comments were recorded regarding the need to look at all the routes off J24 and to be realistic about how long it might take to deliver this. FC noted that the bigger risks are at the beginning of the project in terms of determining what is needed, how will a collective solution be funded and then how will it be done. A request was made that this work doesn't paralyse ongoing applications which are being submitted within the Freeport. It was also noted that the date of end of April noted in the recommendation to EMF public sector directors and EMCCA (as transport and planning authorities) to seek the written agreement of their authorities to this approach and associated resource commitments might need to be extended.

Where previous work had been done by the private sector consortium, comments were made that this approach could be built on and improved and that the risk of broadening the scope is to slow things down rather than speed them up. The EMF Strategic Commercial Lead noted that the Consortium's efforts were regarded as useful, emerging work to plug in to the wider strategy. It was also stated that there are differences of opinion on the consortium's proposals and that a more informed debate with public sector partners would be useful. FC noted that National Highways cannot have a view on the consortium proposals as no evidence had been produced to support it and this

	<p>wouldn't be available until October, but that she was supportive of the pragmatic approach which does not get in the way of incremental wins.</p> <p>EMF CEO noted and agreed with LCC CEO's recommendation that the immediate next step is for all public sector partners and National Highways to sit down and agree on the detailed scope of works, in line with this Board paper, with the right technical people in the room. This should be followed by an MOU which will set out roles and responsibilities.</p> <p>Following the discussion it was RESOLVED that Board AGREE the recommendations to;</p> <ol style="list-style-type: none"> 1. Note the risks of inaction and that EMF has been asked by stakeholders and partners to step into this lead role. 2. Agree that EMF should lead the development of a Local Area Transport Model, in partnership with EMCCA and highways authorities, on the basis that EMF will pass lead responsibility to relevant authorities/ delivery partners in the future 3. Agree that EMF will develop a framework highways business case alongside a site-specific case for J24. As part of this, EMF will develop funding mechanisms (e.g. s106 framework agreements). 4. Agree that EMF can begin to mobilise this work now but will return to Public Sector Directors in Q1 2025/26 for gateway approval of further spend. Estimate c£500k for the modelling/ business case work and potential further spend for technical and legal advisory. 5. Agree that EMF public sector directors and EMCCA (as transport and planning authorities) seek the written agreement of their authorities to this approach and associated resource commitments by the end of April. 6. Note that EMCCA are prepared to play a pivotal convening and championing role in this space, working closely with EMF and partners. 7. Agree to codify the above in an MoU between all relevant parties – including agreed scope of modelling and business case work within a month or soon thereafter. 8. Agree to support EMF communications and public affairs activities including our UKREiiF dinner on transport and growth. <p>It was also AGREED that a meeting with public sector partners, EMF, National Highways and other key stakeholders be convened at the earliest opportunity to further discuss the proposals in detail, prior to further requests being presented to the Board.</p> <p>The meeting took a short break for lunch at 1.17pm</p>
10.	<p><u>Associate Member Discussion</u></p> <p>The meeting restarted at 1.30pm. At the discretion of the Chair it was agreed that Item 11, Associate Member Discussion, be considered prior to the Investment Strategy.</p> <p>EMF CEO introduced the report which sought an initial steer from the Board on the approach to potential new members.</p> <p>Following the discussion it was RESOLVED that the Board AGREE the recommendations.</p>

11.	<p><u>Investment Strategy</u></p> <p>Richard Grice, Cllr Girling and Derek Highton left the meeting at 2.40pm. The meeting was still quorate.</p> <p>EMF's Head of Green Growth and Inclusion introduced the report which highlighted the key areas of EMF's draft Investment Strategy for the Board to consider and discuss, including sources of funding, principles for deployment, identifying investable schemes, delivery and governance, risks, and next steps. She noted that a draft strategy had been shared in order to take comments and determine the approach for finalising the Strategy.</p> <p>The Board had the opportunity to consider the report.</p> <p>Following the discussion it was RESOLVED that the Board AGREED the recommendations to;</p> <ul style="list-style-type: none"> • Review and provide feedback on the key principles in the Investment Strategy before the next Board meeting in April. • Consider the draft strategy document can be finalised by EMF EDT (subject to detailed review and comments back by 9 April) to return to the Board for final approval in April. • Agree next steps according to the budget allocations and actions in the EMF Business Plan.
12.	<p><u>Remco Update</u></p> <p>The Chair asked EMF staff including the CEO to leave the room.</p> <p>Andrew Pilsworth presented the item, and the Board AGREED the recommendations as circulated in the separate Remco Update.</p>
13.	<p><u>Any Other Business</u></p> <p>The Chair reminded the Board that the date for the next meeting has been moved to 23rd April at 10.30am at Toyota Motor Manufacturing UK (Ltd), Burnaston, Derbyshire, DE1 9TA, and for those joining the Shopfloor Tour to provide the Delivery Team with shoe sizes so safety shoes can be provided. She also noted that the Delivery Team will be in contact with Directors to ask for a biography to sit alongside their photos on the EMF Website. Photos will also be shared for approval before being uploaded, and Directors are reminded that their Declarations of Interest will be published online as well.</p> <p>The Chair also thanked the MHCLG Official on her last Board meeting as she hands over the task of supporting EMF to another colleague.</p> <p>The meeting ended at 2.38pm.</p>