

HUMBER FREEPORT COMPANY LIMITED

BOARD MEETING

10 APRIL 2025

MINUTES OF MEETING

Attendees: Neal Juster (Acting Chair), Patrick Pogue (by Teams), Marcus Walker, Lesley Potts, Greg Lacey, Alan Menzies, Carolina Borgstrom, Alex Codd, Stephen Parnaby.

Observers: Simon Green (CEO), Philip Ashworth (Company Secretary), Andrew Wright (BCA), Rob Sykes (BCA), Simon Jones (Accountable Body), Dominic Gibbons (Wykeland), John Coxon (MHCLG).

Administrative Items

1. Apologies for Absence

1.1 Apologies received from Jo Barnes and Suzie Wood.

2. Interim Chair

2.1 The Board agreed Neal Juster to be appointed as Interim Chair from February Board meeting until the recruitment process for a new Chair was completed.

3. Declaration of Interest

3.1 GL/PP declared interests as representatives of ABP and PX around site interest potentially benefitting from funding opportunities.

4. Minutes of the Meeting held on 13 February 2025 / Matters Arising

4.1 DG requested actions arising from the Board Away Day be circulated. **(Action)**

4.2 *Seed Capital Grants* - Board request recipients prepare a report indicating timelines around investment and the impact. **(Action)**

4.3 Subject to the above, minutes of the Board meeting held on 13 February 2025 were agreed as an accurate record and approved for signature by the acting Chair.

Substantive Items

1. FY25 Budget.

1.1 AG presented the budget on two bases.

1.1.1 with four SSA Agreements signed; and

1.1.2 with six SSA Agreements signed.

- 1.2 The Board noted that further clarity was required on how many SSA's would be signed. The first scenario with fewer signed agreements resulted in a greater net loss for FY26. Each of these scenarios had been reviewed and noted by FRAC.
- 1.3 It was noted that indexation was in line with CP "i" until FY25/26 when a 3% figure was utilised. It was noted any new SSA's should have periodic payments at the same level as those currently in place. The Board requested that the worked example of the indexation calculations should be circulated to the directors. **(Action)**
- 1.4 Discussion took place regarding the progress of two of SSA's and budget approval was deferred until the next Board meeting. The Board requested clarity to whether the additional two SSA's would be signed. **(Action)**
- 1.5 GL/MW noted that costs, in particular marketing costs, should be reviewed and measured against likely income levels. **(Action)**

2. Draft Loan Agreement.

- 2.1 The Board was presented with a draft Loan Agreement between the Company and the Accountable Body which had been approved by FRAC. The draft Loan Agreement was approved by the Board and approved for signature by the acting Chair. **(Action)**

3. Appointment of Chair.

- 3.1 The acting Chair reported the advert was now 'live' in the Yorkshire Post and already received 6/7 interested candidates. The procedure for interview and approval of candidates was noted by the Board and approved. The acting Chair indicated he would provide the Board with updates by email as the process continued.

4. Humber International Enterprise Park

- 4.1 A proposal was tabled by ABP regarding the possibility of a major investment. At present there was a financial viability gap in the proposal. The proposal centered around a request for the Freeport to advance borrowing through the Local Authorities set against anticipated retained business rates generated to meet this financial gap. The financial analysis and viability includes the need to meet certain Department of Transport imposed planning conditions relating to road infrastructure. These conditions open up not just the HIEP site but also YEP and reinforces the PX sites completely.

"As interested parties, ABP and PX left the meeting"

- 4.2 The Board discussed how best to structure possible assistance – decouple and link it to the transport infrastructure or to the financial package as a whole and how much a project and similar additional projects should be prioritised against strategic fit with the investment plan (and latterly the OYO report).
- 4.3 The investment was approved by the Board in principle subject to;
 - 4.3.1 a further Board report being tabled for agreement detailing the proposed financial modelling prior to recommendation to the Public Finance Committee for approval;
 - 4.3.2 displacement modelling being undertaken; and
 - 4.3.3 future project criteria to be developed in line with the Investment Plan and OYO Infrastructure study.

Information Items

1. CEO Report.

The CEO report was previously circulated to the Board which noted the following;

- 1.1 Investment Manager had been appointed.
- 1.2 IT supplier had been appointed.
- 1.3 The CEO highlighted the emerging draft HES and the alignment with the HCFL Investment Plan. The HES will be finalised once the new two Mayors are in position.
- 1.4 The CEO reminded the Board that Arup have been commissioned through Hull City Council to develop 'The Invest in Humber Estuary' proposal and produce an options paper to be considered by the Board in due course.
- 1.5 The CEO reported the next annual review by HMCLG had taken place with the head of Freeport's in the UK. This had constituted a three hour interview analysing and reviewing performance and assurance. The outcome was awaited.
- 1.6 The CEO outlined an advanced infrastructure report (OYO Phase 2) previously circulated regarding site investment criteria. The Board asked for a prioritisation exercise to be undertaken and circulated in May. In addition, the Board requested that the report not be shared with third parties until such an analysis had been complete. **(Action)**

2. FRAC Report.

- 2.1 The FRAC Report had been circulated in advance of the meeting and was noted. CB highlighted the fact that one of the key risks was whether there were four or six SSA Agreements in place and four or six contributing landowners.

Any Other Business

The CEO highlighted that UKREiF was upcoming and asked directors to review their invites to support the company representation at UKREiF.

Date of next Meeting : 19 June 2025, 11am – 1pm

Venue: AURA, Bridgehead Business Park, Meadow Road, Hessle, HU13 0GD

Signed

.....Neal Juster.....

Acting Chair