

Meeting Subject:			
FMPG Board Meeting			
Location:	Virtual – via Microsoft Teams		
Date:	21.01.21	Time:	11:00 – 13:00
Chairman:	Alistair Mackenzie		
Participants:	<p><u>Non-Executive Members</u></p> <p>Alistair Mackenzie, Chairman (AMac)          John Hudson, Non Executive Director (JH)          Alan Johnston, Non Executive Director (AJ)          Robert Mackenzie, Non Executive Director (RMac)          Alison Mitchell, Non Executive Director (AM)          Stuart Smith, Non Executive Director (SS)</p> <p><u>Executive Members</u></p> <p>George Crookston, Chief Financial Officer (GC)          Tim Hair, Turnaround Director (TH)</p> <p><u>In Attendance</u></p> <p>Catriona Syme, FM Response Division (CS)</p> <p>Partial attendance for specific agenda items:</p> <p>Alex Logan, Trades Union representative (AL)          John McMunagle, Trades Union representative (JMc)          Marc Anton, Interim Health and Safety Director (MA)</p>		
Apologies:	NA		

BUSINESS		
1	Apologies for absence	
2	Declarations of Interest/Conflict	
3	Engagement with Workforce/Trades Union Representatives	
4	Health, Safety, Environment & Security <ul style="list-style-type: none"> <li>Including HSE Management Framework Dashboard Update</li> </ul>	Delivered by Marc Anton, Interim Health & Safety Director
5	Turnaround Director's Report	
5a	Functional Updates	
5b	801/802 Monthly Pack – December	
6	Approval of Minutes of Board Meeting held 19 <sup>th</sup> November 2020	

6a	Matters Arising and Review Actions Plan	
7	Finance Update – Management Information Update	
8	Minutes of Audit & Risk Committee (ARC) 3 <sup>rd</sup> December 2020	
<b>MATTERS REQUIRING BOARD INPUT/DECISION</b>		
9	Business/Corporate Plan	
<b>MATTERS FOR NOTING</b>		
10	None	
11	A.O.C.B	
12	NEDs private session	

Item	Minutes
1	<p><b><u>Apologies for absence</u></b> No apologies were given.</p>
2	<p><b><u>Declarations of Interest/Conflict</u></b> No declarations of interest/conflict were given.</p>
3	<p><b><u>Engagement with Workforce/Trades Union Representatives</u></b> AMac welcomed AL and JMc, the GMB Trades Union Reps, to the meeting and thanked them for their significant effort expended relating to the production suspension and subsequent covid-19 practices and arrangements review.</p> <p>AL raised the recent media attention surrounding the company and aired his frustration at the general negative tone. AL and JMc stated that they are both supportive of all the Covid-19 mitigation work that the yard has implemented and wanted it known by the Board that they are content to issue a supportive statement on behalf of the TU if appropriate. Both stated that they have had numerous conversations with councillors and have asked that any questions or comments are directed to the reps or the company directly.</p> <p>TH advised that he will continue to appropriately address media coverage. AL and JMc advised their willingness and desire to support TH in that matter.</p> <p>AMac asked if the TU reps had anything to add with regard to the amenities review which has been taking place. JMc confirmed that whilst he had personal views on the continuity of non essential manufacturing, both he and AL are content with the arrangements in place at the yard and feel that there is nothing more than can be implemented at this time.</p> <p>Communication – the TU reps said that improvement is hard to gauge with production being suspended for a week although acknowledged the Workers Consultation Group which has been re-established.</p> <p>Wage negotiation – AL and JMc are working the GMB Regional Organiser to bring the outstanding wage negotiation discussions to a close.</p> <p>AMac thanked AL and JMc for their continued support.</p> <p>Both AL and JMc advised that they had no further matters to raise with the Board and left the meeting.</p>

4	<p><b><u>Health, Safety, Environment and Security</u></b></p> <p>MA joined the meeting to provide an update on health and safety progress.</p> <p>MA has established a priority list and provided a detailed summary on the steps taken relating to the priority areas.</p> <p>AMac asked for any points of clarification:</p> <p>AMac asked for clarification relating to the RAG status thresholds of each area. MA confirmed that each area is given an overall RAG status and despite progress having already been demonstrated in some areas, advised that the RAG will not change until he is confident that there are robust evidence and processes in place.</p> <p>AM was encouraged at the progress being made and requested some opinion from MA on the general level of health and safety culture. AM also noted the outstanding action to record (in incident summaries) the learnings and preventative measures agreed. AM sought assurance that day to day health and safety matters are being addressed appropriately. MA assured the Board that this is being addressed.</p> <p>AMac reiterated the importance of health and safety throughout the yard and invited MA to provide the Board with progress updates at future Board meetings.</p> <p>The Board had a general discussion on Covid-19 preventative measures.</p>
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**Turnaround Director's Report**

TH confirmed that there was no material change since issuing the pre read but wanted to highlight:

Confirmation of the appointment of the Head of Operations.

AMac asked for any points of clarification:

RMac requested further detail regarding the ongoing issue of skilled labour availability. TH provided an update on the recruitment and subsequent advertising campaign currently being undertaken and discussed the long term approach to the recruitment of skilled labour. TH confirmed that if labour cannot be secured locally or from within the UK, workers will be recruited from overseas in order to move forward in line with the programme.

**AOCB – Recent media attention**

TH provided the Board with an update on the specific event involving the arrival of sub-contractors to carry out work at the yard. TH also provided an update relating to specific trade skills required in the early part of 2021.

AMac asked for assurance that learnings from the incident would be applied to any future contractor pre-mobilisation controls. TH confirmed that a review of the controls for sub-contractor management had been completed.

**Functional Updates**

AMac asked Board members for comment:

AMac advised that he was encouraged at the forward thinking of the functional leaders.

JH requested clarification on the commissioning process/resources at the yard. TH provided an update on work undertaken to review commissioning capacity in the yard.

AM was encouraged at the general collaboration with the TU and asked for further detail regarding their involvement in different areas of the business. TH confirmed that there is an open and collaborative relationship with the TU Reps across health and safety, Covid practices and operations where they are building a solid working relationship with the Head of Operations.

**801/802 Monthly Pack – December**

Following review of the December (abridged) report the Board collectively shared their concerns regarding the programme schedule. The non-executives confirmed a desire to have further (specific) metrics included in reporting to allow more visibility of the control and review of project progress. TH requested detail of the specific metrics required.

*Post-meeting note – a sub-group has been established to review reporting outputs.*

The Board discussed the potential impact on operations in the event that further controls might be introduced in the manufacturing sector (e.g. increased social distancing). TH advised that he was seeking clarification from Scottish Government on some mitigation measures.

6	<p><b><u>Approval of Minutes of Board Meeting held 19<sup>th</sup> November 2020</u></b>            AMac sought approval of the previous Board Minutes which all parties approved, and no corrections raised.</p> <p>All members agreed to the subsequent publication of the minutes on the FMPG website.</p> <p><b><u>Matters Arising and Review Actions Plan</u></b>            SS sought clarification/update on action 191120-07 relating to Engineering. AMac confirmed that the summary page has been circulated as agreed.</p> <p>The Board noted that actions 191120/03 and 191120/04 will remain open until a review of reporting outputs is concluded.</p>
7	<p><b><u>Finance Update – Management Information Update</u></b>            GC confirmed that there was no significant change since issuing the pre read but wanted to provide clarification on the resource and labour costs..</p> <p>GC also provided an update on the progress of the Grant Thornton statutory accounts audit.</p>
8	<p><b><u>Minutes of Audit &amp; Risk Committee 3<sup>rd</sup> December 2020</u></b>            RMac provided the Board with an update on the previous ARC meeting which took place on 3<sup>rd</sup> December 2020.</p> <p>The Programme Director has been invited to attend the next ARC meeting scheduled for 26<sup>th</sup> February 2021.</p>
9	<p><b><u>Business/Corporate Plan</u></b>            TH provided an update on the additional time required to finalise this document which will be circulated for comment in due course.</p> <p>In the absence of a formal document for review, TH gave a verbal update on progress to date.</p>
10	<p><b><u>A.O.C.B</u></b>            Future Work - TH provided the Board with an update on current commercial activities and confirmed that Head of Sales continues to review additional opportunities.</p> <p>SS asked for clarification of the Board’s responsibility relating to review and approval of tenders. TH confirmed that this will be included in the Delegated Authority Framework currently being reviewed by the ARC.</p> <p>Anahita – TH provided an update on the process and options for sale of Anahita. The Board resolved that the sale of the Anahita may be progressed.</p>