

Meeting Subject:			
FMPG Board Meeting			
Location:	Ferguson Marine (Port Glasgow)		
Date:	27 <sup>th</sup> January 2022	Time:	11:00
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>Tim Hair, Turnaround Director (TH)          George Crookston, Chief Financial Officer (GC)</p> <p><u>In Attendance</u></p> <p>David Palmer, Strategic Industrial Assets Division (DP)</p> <p>Partial attendance for specific agenda items:</p> <p>John McMunagle, Trades Union representative (JMc)          Alex Logan, Trades Union representative (AL)          Carol Anne, HR Director (CAK)</p>		

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, GMB Trades Union Reps, to the meeting and asked if they had any matters to raise.</p> <ul style="list-style-type: none"> <li>AL/JMc raised an issue with regard to receipt of payslips for some staff. GC acknowledged there was an issue in December payroll with OT payments which in turn had to be manually inputted but stated payslips should be arriving to all staff. GC will investigate out with this meeting.</li> </ul>

	<ul style="list-style-type: none"> <li>• Covid-19 protocol was raised and it was agreed to reconvene the Covid meeting lead by H&amp;S. TH advised that the new Head of Health and Safety had started and he is confident this will bring high standards to the department.</li> <li>• It was noted that the 21/22 and 22/23 Pay Deal was now agreed. AMac noted this was a satisfactory outcome and thanked AL and JMc for their input. AL asked if the pay deal would cover agency staff? TH acknowledged and noted, and the matter is being addressed.</li> <li>• AL asked if the July delivery date for 801 was achievable? AMac advised there are ongoing issues around schedule however the organisation was committed to making the delivery and advised that if there is an update it will be issued in due course.</li> <li>• AL advised there are pre-fabricated units that are completed and not being fitted, and this is taking up valuable space. TH accepted that this is a concern.</li> <li>• AL raised concern over the appointment of new managers (resource and heavy lifting) when there are currently only 2 orders on the books. AMac noted that the business remains positive that the yard with secure new business and a sustainable future.</li> </ul> <p>AMac thanked AL and JMc for their input and attendance and they left the meeting.</p>
4	<p><b><u>Health, Safety, Environment &amp; Security</u></b> H&amp;S Statistics Report was shared in pre read papers.</p> <p>AMac commented that the figures recorded in the report seemed low.</p> <p>TH noted that the figures were correct which could be due to December and January being lower activity months.</p> <p>AM also noted a concern with the low figures reported.</p> <p>TH advised he will discuss reporting with Head of Safety and will ensure focus on data going forward.</p> <p>Safety dashboard will be distributed post meeting and added to board papers going forward.</p>
5	<p><b><u>Update on Programme –</u></b> TH updated the meeting on a legacy cable issue on 801. Initial indications from BGEN in late December 2021 advised that a small number of legacy cables were too short to reach equipment. A full survey of installed cables now indicates that the number is higher than that initial estimate. TH confirmed that work is ongoing to understand the full scope of the issue and the remedial action required.</p> <p>AJ asked if any of the cables were too short due to FMPG moving equipment. TH noted the cables in question were all installed under previous ownership.</p> <p>TH advised the meeting that there will be a full report on cables, and he will keep the Board informed as matters are confirmed.</p> <p><b><u>Turnaround Director’s Report</u></b> TH confirmed that there was no material change since issuing the pre read.</p>

	<p>AJ asked why the date for Wartsila coming on site had been delayed. TH advised that this was due to insufficient progress in pipework and hot work.</p> <p>TH updated the meeting of management moves within Operations.</p> <p><b><u>Functional Updates</u></b></p> <p>Planning - PC has appointed a new planner and further interviews are taking place this week. Finding competent planners has been an ongoing issue and attrition is an issue with experienced planners moving on for significantly higher remuneration.</p> <p>JH noted that the project report needs to be more comprehensive in terms of detail behind some of the metrics.</p> <p><b><u>801/802 Monthly Pack</u></b></p> <p>Board members asked for more information to be provided within the monthly pack –</p> <ul style="list-style-type: none"> <li>• Completion of items on the critical path list</li> <li>• S curve for pipework, electrical and hot work</li> <li>• Volume metrics</li> </ul>
6	<p><b><u>Approval of Minutes of Board Meeting held on 25<sup>th</sup> November 2021</u></b></p> <p>AMac advised he will recirculate the draft minute for approval once he has made a few amendments.</p>
7	<p><b><u>Finance Update – Management Information Update</u></b></p> <p>GC confirmed that there was no notable change since issuing the pre read.</p> <p>No points of clarification were required on the Monthly Finance Report.</p> <p>GC noted that the updated plan for 802 will be ready in the coming weeks.</p>
8	<p><b><u>Update on OPVs submission</u></b></p> <p>TH advised that a letter of intent had been received however FMPG are not committed at this stage as there are still a few points to finalise with further submissions now required.</p> <p>Discussion around investment in the yard and the need to progress the FMI report took place.</p> <p>SS asked if they cost breakdown for the OPV's can be circulated to the Board. TH advised he will re-issue the information that was discussed in a previous meeting.</p> <p>The Delegated Authorities procedure was discussed, and Board members stressed the importance of that being reflected in a suitable bid processing procedure. It was noted that the Audit and Risk Committee have agreed that the Executive Team and the Bid Team will produce a process/procedure for Board approval.</p> <p>AJ reinforced the requirement for an agreed strategic plan for the yard.</p>

<p>9</p>	<p><b><u>Proposed Communication Plan</u></b>            CAK presented a 5-stage objective and communication plan to the meeting.</p> <p>AMac commended CAK for this work and noted that it needs to be followed up by implementation and with a time lined plan.</p> <p><b><u>Update of Pay Negotiations</u></b>            CAK updated on the 2-year pay deal covering April 2021 – March 2023.</p> <p>The pay rise will apply to all FMPG employees, and details will be communicated to staff this coming Friday or Monday.</p> <p><b><u>Update on attendance/absenteeism</u></b>            CAK shared statistics on absence in the business.            Close monitoring of the Omicron Covid variant spike continues.            HR Business Partners are working with line managers to manage absence better and ensure effective connection with absent employees.            Return to work interviews are now taking place.            3<sup>rd</sup> year apprentices are a little behind in their development schedule due to portfolio delays but there is effort underway to get this concluded.</p> <p>AM commented that this was extremely helpful and reassuring work.</p>
<p>11</p>	<p><b><u>AOCB</u></b>            TH advised that Audit Scotland have now concluded their audit. TH will share the draft report with the Board. The report will be signed off on 02/02/22 by TH on behalf of FMPG.</p>