

Meeting Subject:	
FMPG Board Meeting	
Location	The Boardroom, FMPG
Date	30/01/25
Time:	08:30am
Chairman	Andrew Miller
Participants	<p><u>Non-Executive Members, FMPG</u> Andrew Miller, Chairperson (AM) Valerie Scoular, Non-Executive Director (VS) Simon Cunningham, Non-Executive Director (SJC) Jim Gibson, Non-Executive Director (JG) Chris Mackay, Non-Executive Director (CMac) Stuart Smith, Non-Executive Director (SS)</p> <p><u>Executive Members, FMPG</u> John Petticrew, Interim Chief Executive Officer (JP) David Dishon, Chief Financial Officer & Accountable Officer (DD)</p> <p><u>FMPG Guests for individual slots:</u> David McVeigh, Business Development Director (DMcV) (part) Alex Logan, Trade Union Representative (AL) (part)</p> <p><u>Scottish Government</u> Dermot Rhatigan, Directorate for Economic Development (DR) [REDACTED]</p>

Item	Minutes	Action
1.	<p>Welcome and Apologies The Chair welcomed everyone to the meeting.</p> <p>Apologies Carol Anne Knight, HR Director</p>	
2.	<p><u>Declarations of Interest/Conflict</u> No declarations of interest were made.</p>	
3.	<p><u>Strategy (EY Attendance)</u></p> <p><u>The brief</u> We were asked to propose a strategy for Ferguson Marine that could underpin a viable future and form the basis of the Scottish Government’s CMO assessment.</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	

	<p>[REDACTED]</p> <ul style="list-style-type: none"> ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] ■ [REDACTED] <p><u>Next steps for FMPG</u></p> <ol style="list-style-type: none"> 1. Formally adopt the proposed strategy – to focus on the five identified opportunities – and align people, processes, investment, business development, and financial plans behind this. 2. Prepare for your CMO submission, where the next step is to translate the strategy into a full business plan, most notably including cost, but also including key risks and considerations (including how to ensure successful delivery through people and capabilities). 3. Take steps to implement the proposals to optimise people, capabilities and processes, where the next step is to launch an assessment to i) review current state; ii) articulate required future state; iii) plan the transformation required to get there. A transformation process, suited to the size of the business, could then follow. <p>AM thanked EY for their input and attendance, and they left the meeting.</p>	
<p>3.</p>	<p><u>Update from Health, Safety, Environment & Security Chair, JG</u></p> <p>JG gave an update from this weeks HSE Committee.</p>	

	<p>JG advised A Logan attended the meeting and will be an attendee going forward.</p> <p>JG previously asked SMcA to create an action tracker with close out dates. This is now in place with some items making very little progress. The management plan and PPE compliance campaign were due before Christmas however they are moving now, and we will see progress in the next quarter.</p> <p>JG updated on an employee's recent leg injury during a fall on 802. The employee in question has exhausted the company sick pay scheme and JG asked the meeting if it is a workplace injury should they be paid for the absence. It was agreed they should be paid in line with policy.</p> <p>Observations submitted via the "You See We Do" system have been positive and negative which has been encouraging.</p> <p>Feedback from LRQA – Level 1 desktop audit raised 4 major non conformities. Recommendation is on how we improve our policies and documentations. Then we can move it to a level 2. SMcA to send invites to Board members for high level training.</p> <p>Management buy in and support for HSE is required across the business. SLT to support and ensure compliance.</p> <p>AM advised he observed the last HSE Committee, and it has made vast improvements.</p>	
<p>4.</p>	<p><u>Update from RemCom Chair, VS</u></p> <p>VS provided high level points from the previous meeting.</p> <ul style="list-style-type: none"> • New Finance structure and appointments were shared with the committee. • Odgers will update the Board today on CEO and NXD recruitment. • CEO interview – first stage will be conducted by JP/DD/CAK and second stage will be VS/SS. AM will then meet with the preferred candidate and go through the negotiations. Paper is being prepared for Scottish Government and all going well a start date of 1st May is suggested. • NXD recruitment – 10 interviews to be arranged in the coming weeks. Full list of candidates to be shared with Scottish Government. • Rem Com calendar – going forward the committee will meet 6 times a year. • Employee engagement workshops are now arranged with an external agency. • Apprentice Programme – 8 positions to be recruited this year. Secondments for apprentices into business functions was suggested. • Pay Negotiations – no proposal or review at present. • There is ■ increase in the budget however suggestions from shop floor indicate they are looking for ■. Other benefits are being looked at like increase in leave allowance, pension, salary sacrifice, sick pay scheme and enhanced OT rate. • Productivity remains an issue and this needs to be addressed this year. 	

<p>5.</p>	<p><u>Update from ARC Chair, SJC</u></p> <p>SC gave a brief overview of the ARC Meeting.</p> <p>SC advised ARC covered the section 22 and the accounts.</p> <p>ARC members are keen to understand the annual report to ensure going forward issues raised do not happen again.</p> <p>Internal audit programme is ongoing and making progress. Engagement has been positive. Issues raised at the meeting will be addressed at the upcoming PAC attendance. Scottish Government and FMPG are attending PAC together.</p> <p>██</p> <p>████████████████████</p>	
<p>6.</p>	<p><u>Update from Ops Committee Chair, CMac</u></p> <p>CMac advised the Ops Committee has met twice since the last Board meeting however the meeting that was scheduled for early January was postponed.</p> <p>Ops Committee have been pressing hard for the 802 schedule and costs to go which are still not available.</p> <p>CMac noted that with the current data in place the delivery date of September 2025 may not be achieved.</p> <p>JP advised we should have a schedule by 8th February which will be followed by an internal review.</p> <p>CMac asked the SLT to provide 1 page risk registers on Glen Sannox and Glen Rosa.</p> <p>Contract amendments for both ships are still being sought.</p> <p>Lessons Learned from 801 to 802 is going well. It was suggested that Ops Committee should attend a 1-day session on outputs.</p> <p>The meeting stressed the importance of getting the date and cost correct for 802 and not having further slip.</p> <p>█████ advised that the Scottish Government has started their own lessons learned and will share in due course.</p> <p>VS commented that there is huge frustration from all in getting a revised schedule in place for 802.</p> <p>DD noted that he wants to ensure costs are correct and evident.</p>	

<p>7.</p>	<p><u>Engagement with Workforce/Trade Union Representative, AL</u> A. Logan joined the meeting –</p> <p>AL advised apprentices leaving the company remains an issue. Reasons for this are increased salary and benefits and the uncertainty of no future work at the yard at present.</p> <p>AL noted that the shopfloor staff are reluctant to enter pay discussions as there is only 1 ship and no future work. VS again raised the need for more productivity on the yard.</p> <p>AL asked the meeting if there was a revised delivery date for 802. Meeting advised AL there was no new date at present.</p> <p>AL raised the issue of retirement packages being so low in value compared to reported settlement agreements for senior managers. He advised the recent media attention on settlement agreements has the yard unsettled.</p> <p>AL suggested that the yard needs a general clean and tidy as there is material all over the yard.</p> <p>AL commented on the recent feedback from customers on Glen Sannox and how supportive it has been.</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>AL left the meeting.</p>	
<p>8.</p> <p>8a</p> <p>8b</p> <p>8c</p> <p>8d</p> <p>8e</p>	<p><u>Matters Arising</u> █ asked FMPG to consider further redactions of their minutes particularly around Scottish Government attendance.</p> <p><u>Approval of Minutes of Board Meeting held on 21st November 2024</u> Board Minutes were approved and are ready to be published.</p> <p><u>Approval of Minutes of ARC Meeting held on 16th October and 14th November 2024</u> ARC Minutes were approved.</p> <p><u>Approval of Minutes of RemCom Meeting held on 20th November 2024</u> RemCom Minutes were approved.</p> <p><u>Approval of Minutes of H&S Committee meeting held on 20th November 2024</u> H&S Committee Minutes were approved.</p> <p><u>Approval of Minutes of Ops Committee meetings held:</u></p> <ul style="list-style-type: none"> ○ 4th November 2024 ○ 12th November 2024 ○ 5th December 2024 <p>All Ops Committee Minutes were approved.</p>	

<p>9.</p>	<p><u>SLT Board Reports:</u></p> <p><u>Interim CEO Report, JP</u> Pre read report shared.</p> <p>JP advised there is a full time FMPG Project Manager onboard Glen Sannox who is meeting daily with the client. There are now 4 items on the post-handover exemption list.</p> <p>Glen Sannox will be out of service while the gypsie anchor mechanism is fixed. Cal Mac are using this opportunity to complete other work.</p> <p>JP stressed how disappointed the SLT are at the delay of producing a revised schedule for 802 (Glen Rosa). New planning team is now in place, and we hope to see progress soon. Finance is also working through material costs at present.</p> <p>JP advised we are monitoring the number of people on the ship. The ship is being broken into zones and areas with a leader responsible for that area.</p> <p>The Interim Chief Operating Officer will leave the business at the end of his contract next month.</p> <p>Operations General Manager to be advertised internally.</p> <p><u>CFO Report, DD</u> Pre read report shared.</p> <p>DD gave an update on Finance recruitment. Interviews have been slow however 2 offers have now been made and a secondment from BDO is confirmed.</p> <p>The 801 accounts will be closed next month.</p> <p>Post delivery work for 801 – PO is tracked and signed off.</p> <p><u>New Business Development Report, DMcV</u> Pre read report shared.</p> <p>DMcV advised the SVRP bid has now been submitted. CMAL are submitting questions via the portal. We are confident our bid is compliant and robust.</p> <p>Positive meeting took place with [REDACTED].</p> <p>We have now provided all information requested from [REDACTED]. CC to contact SL to discuss steel issues being reported.</p> <p><u>HR Director Report/Company Secretary Report, CAK</u> Apologies noted from CAK.</p> <p>SS to be removed from the website.</p>	
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11.	AOB The Board confirmed their support for the AO position to remain with the CFO. High level org chart was tabled. Muckle Media to attend next Board meeting. AM thanked SS for his commitment to the FMPG Board and wished him well as this was his last Board Meeting.	
Next Meeting	Thursday 27th March 2025	

The meeting closed at 12.20pm