

Minutes of the Board Meeting on 25 February 2021

Present

Flora Macleod (Chair), Innes Harrison, Domhnall Macdonald, Fiona Jefferson, Euan MacLeod (Development Manager).

Welcome

Flora welcomed all to the 2nd meeting of 2021.

Approval of January Minutes

The January meeting minutes were approved.

AGM 2021

CIB can't commit to getting the draft accounts prepared before mid-April. As a result, the directors agreed to wait until the beginning of May to hold the AGM.

The draft Annual Report has been sent to everyone. Euan is looking for feedback.

Finances 2021

Innes wanted to find out more about the Trust's financial management and asked about the nature of the bank accounts. HCD funds are spread across 6 bank accounts. The funds are split in two types of accounts, around £70k is held in a Bank of Scotland business account. Almost all transactions (including grant payments) are made from the Bank of Scotland account.

The Trust's reserves are spread across the Triodos, Nationwide, RBS, Clydesdale and CAF accounts. These accounts are treasurer/charity accounts which require double or triple signatures. Over the past 12 months, only one transaction was made from these account – a transfer of funds from the Nationwide account to the Bank of Scotland account as we were wary of the BoS account being low on funds before the RPG payment was received in October 2020.

A finance meeting will be arranged before the March board meeting. The aim of the meeting is to bring everyone up to speed on the financial situation for 2021. Despite the expected income still being unclear, we'll review the budget circulated in November 2020. This budget included substantial cuts; however, it wasn't formally approved amid the uncertainty. We aim to agree a budget at the finance meeting.

Long term implications for financial planning, brought about by the recent cable failure and the changes to insurance cover, will also be discussed. In-house financial management will also be discussed.

Issues from the updates

Shawbost Old Church/Museum (Sarah)

A draft community consultation attached for your reference (any thoughts welcome) Once confirmed, these will go out to all members in March. There has been no joy in sourcing a more recent structural building survey than the 2012 survey we have already. I am still in conversation with TIG / CNES and Anderson Architects to hopefully locate this but if this is not forthcoming the next best thing to

do would be to approach UDS to ask if they would be happy to initiate this process, using the remaining heritage trust funds.

The consultation survey will be put on hold. Sarah will do more research into the UDS project, including looking at the previous consultations carried out by UDS. More research is also needed on realistic possibilities for the building.

The directors discussed the proposal of HCD taking ownership of the building. While not consensus was reached on the merits of the project, everyone agreed the research into the project/building should continue until things have become clearer.

STV Children's Appeal Winter Support Grant (Sarah)

Funding was secured for 40 grants of £100 to be distributed to children in the area. The grant is similar to our own Winter Fuel Allowance but is focused on families with school age children to help support the children through the winter months with food/fuel/clothing etc. The grant will be distributed in vouchers. To qualify for the grant a child must not be in receipt of free school meals and must not have received the grant through a similar organisation. Work is ongoing to make contact with all families in our area, following this we will branch out to Bragar/Arnol and Carloway/Breascleite with any remaining grants available. Closing date for applications is 24th March.

Mobile Masts – Dalmore / Dalbeg (Sarah)

No further updates – ongoing.

Tree Ark (Sarah)

Work continues towards the UKISG accreditation.

Flora asked what UKISG meant. UK and Ireland Sourced and Grown assurance scheme – an accreditation which allows native trees to be sold as part of Woodland Trust grants.

Innes requested a stock list for the tree ark – Euan will arrange this.

Barvas FoodBank (Sarah)

The donation of our left-over stock from Shop & Drop (frozen meats, pies, fish etc) was gratefully received by the Barvas FoodBank. Ivan Brown is running operations and we have liaised with him to provide an interim food parcel delivery to anyone of the Shop & Drop users who require it. During courtesy calls to the Shop & Drop users we have established a small number of households who wish to take us up on the offer. The exchange of goods/services between HCD and the Barvas FoodBank is good for all involved!

Sarah Campbell and Ivan Brown from the Barvas Foodbank expressed their gratitude for the donation at a recent virtual development officers meeting.

Horshader Shopper (The new payable Shop & Drop!) (Sarah)

Work is ongoing to get this up and running. It will be pretty straight forward and will be operational at the beginning of March. After gaining feedback from the Shop & Drop users it has become apparent that there is a need for delivery of fresh fish and

meats from the butcher / fishmonger. Initially we will offer a pick-up service from one butcher, one fishmonger and one supermarket. For the time being I will dedicate one day a week to providing the service, along with volunteers and staff to get the service functioning well, remedy any initial teething problems and gauge demand/interest in the service. Once the service is running smoothly it will be safe to hand it over to Jordan and Don to continue with my supervision. An initial timescale of 3 months I think is sufficient, taking into consideration the vaccine is well on its way to being rolled out and the Government is hinting that we will return to some sort of normality in Spring/Summer.

Euan reported a grant has just been received which will cover the running costs of the Shopper Service, along with a Coordinator post who will assist in the establishment of the service.

Flora mentioned that we should be cautious regarding conflicts of interest when it comes to the sourcing of food items from island businesses.

Insurance Claim Update (Euan)

The 1st claim has been worked out by RSA. We miss the first 28 days after the cable break, so the claim covers mid November to near the end of Feb. RSA have given their rationale for the figure and I'm going to look over it before deciding how to respond. We will seek advice from local contacts – who will hopefully highlight any issues with the RSA model/reasoning.

The turbine comms panel has been fixed by Enercon, providing the SCADA wind data. This makes the claim a simpler process. The insurance claim is progressing fine, with the loss adjuster understanding our need of a payout by end of March. We continue to send the requested data on a monthly basis.

We heard the worrying news from Galson that future sub-sea cable failures won't be covered by insurance. All the island turbine groups use the same broker and provider for their renewable projects and, though our insurance policy isn't up for renewal till October 21, the email from Bruce Stevenson shows that it's likely that we will be similarly affected. This will no doubt have implications for future financial planning at HCD.

Sarah Fraser (Projects Manager) joined the meeting

Equity Cure (Euan)

Once the severity of the loss in income due to the cable failure became clear, we began discussions with Coop bank regarding the bank loan repayments. At the moment RPG pays roughly £200k per year in repayments, split between 2 payments, in March and in September.

Initially I had suggested the HCD reserves could potentially cover the repayments for 9-12 months, however this was ruled out as the twice-yearly covenant tests would not be passed, resulting in potentially defaulting on the loan. The covenant tests purely

look at the income generated through the turbine to determine the ability to meet repayments – other funds, e.g. reserves, are not taken into account.

The option of an equity cure was proposed by Coop bank. This would mean that a sum of £100k would be moved from HCD accounts to a new bank account, which the Coop bank will draw from if income from the turbine isn't sufficient in

We haven't yet seen the details in full (i.e. the contract) but there are a few things that need to be clarified with Gillian – for example, what happens if we needed to draw from the equity cure twice in a 12 month period. Only being able to draw once – as Gillian has indicated – doesn't seem to cover us sufficiently. The lawyers drawing up the contract will incur legal fees of £2000-3000.

Turbine & Subsea Cable (Euan)

Nothing to report on the repair.

SSE sent a contract which details the arrangement for power generated by RPG to be bought at £80 per MWh. As the cable is broken, the power will be used to meet up to 10% of local energy demand. It's unclear how income from SSE will affect the next insurance claim – RSA have requested details of income when we receive it.

Annual Accounts – CIB (Euan)

Having given CIB our provisional AGM date (25 March), he responded saying that CIB can't commit to preparing the accounts before mid-April as they are struggling to catch up with work after the initial lockdown last year. This puts a question mark over holding the AGM by the end of March. A provisional date of mid-May is now set.

Power Purchase Agreement (Euan)

The PPA is yet to be finalised. Discussions on the changes to the existing agreement, introduced by Smartest Energy in 2020, have taken much longer than anticipated. Coop Bank and Smartest appear to be close to reaching a conclusion that suits both sides.

Annual Report (Euan)

Draft report attached. We're waiting on a few of the grant recipient reports to come back (deadline is end of Feb), these will be added as they arrive. The financial situation graphic will be updated when we get the draft accounts from CIB.

A couple of sections require additional input from the Board (e.g. Plans for 2021, and In Conclusion end-note).

The draft is a starting point. Euan is looking for feedback and suggestions of ways to improve.

External Funding (Euan)

A few changes were made to the CNES Crown Estate funded post (Tree Ark Nursery person), and it's sent it back to the fund officer for approval. The local members must now approve the changes. I was expecting feedback at the end of last week but haven't received this yet. The post will be advertised once we get confirmation.

All the community groups that run renewable projects went back to CNES to appeal the decision to deny funding from the Emergency Support Fund. Flora sent a letter focusing on the financial loss to the local community due to the decision. Flora also questioned the rationale behind the decision, which was that Horshader was ineligible to receive funding as we are 'a generator', where in fact Horshader is a community development trust, an RPG is the generator. All the groups received the same generic reply and are considering the next steps.

After discussions with the Islands Green Recovery Fund, they've agreed to fund the purchase of an e-cargo bike – an electric bike with storage capacity of 60kg. The bike will be used for prescription deliveries at suitable times (weather dependent) as well as for other local deliveries of small items. Though the staff will have fun using the bike, a primary aspect of the project is to showcase a green form of transport in the hope it'll help encourage the community to go electric.

The application to Bòrd na Gàidhlig Taic Freumhan was successful. We've been granted £3,000 to produce a map of the local placenames. We have 250+ placenames collected already and will run an exhibition later in the year to gather more, along with stories and other bits of info. Finally, a map will be produced. The exhibition is covid restrictions dependent, but we'll work around it if the physical exhibition can't take place.

A number of other applications for funding have been submitted:

Robertson Trust Community Vehicles – buy a new transit van for deliveries + grass equipment.

SCVO Community Response – provide funds to employ a Covid Coordinator to redesign the voluntary Community Support service, originally established at the start of 2020 lockdown.

In some good news, I've just heard today we were successful in getting funding of £7500 from the SCVO fund. This will provide funds for costs to develop the Community Support service, funds to establish and run Sarah's Horshader Shopper service, and to employ a Covid Activities Coordinator from March 1st to June 1st. This is a short period but the role will be really helpful in developing the Covid Services into sustainable, long term ones. As the coordinator job is a short fixed term post, I'd like to get the job advertised for a week, from tomorrow – how does that sound?

The post will be full time at £10 per hour. The successful candidate will: Help in redesigning the Community Support service for the long term, help in establishing and running the Horshader Shopper service, and assist with other Covid activities.

SCVO Adapt and Thrive – funds to bring in financial support, a part-time finance officer.

Jobsearch Kickstart Apprenticeships –funded apprentice posts for up to 6 months, I've applied for 3 to provide work for young people in the area.

Community Response Resilience and Recover – funds to run the Blasta Ready Meal Delivery service up to August 2021.

We discussed the Greis Gníomhachas Scheme – Gaelic summer students which is 50% funded. Could be run at cost of £1000 to HCD for 1 student for 10 weeks. We agreed that the priority is to maintain the current staff and that we are not in a financial position to pay the 50% needed for a summer student.

Staff Update (Euan)

Don is on sick leave due to having surgery and expected back by the end of March. I'll cover the school bus run until Don is back, with Chris ready to step in if required. Chris and me both have the MIDAS mini-bus certificate. All going well so far.

Funding applications

An enquiry regarding the Digital Tech Grants was received from a resident of South Shawbost. As 2021 budgets have not been set, there is no confirmed budget for the grant scheme.

Actions from the last meeting

Flora was satisfied the actions had been progressed. The Annual Report will be sent out later than planned, in time for the May AGM. Euan will send a newsletter out before the end of March.

Membership applications

Applications for associate membership were approved for: Catherine King and Martin Macneil, both living in Carloway and interested in community development.

Any other business

The directors approved a request to hire the Community Space for an art exhibition in October/November 2021.