

Minutes of the HCDT General Meeting on 04 July 2019

Present: Flora MacLeod; Mairi MacLean; Jimina MacLeod; Alisdair Wiseman; Donald MacLeod; Andrew MacLeod; Innes MacLeod; Lesley Wiseman; Gareth Watson; Kathleen Murray; Jennifer Speirs; Laura Armstrong; & Euan MacLeod.

Vote by Proxy: Diana Hesketh

Apologies: Domhnall MacLeod; Sheena MacLeod; & Cathie Macdonald.

Venue: Raebhat House.

Welcome: Flora and Alisdair welcomed those present and explained the purpose of the General Meeting as being to establish a new Governing Document for HCDT. During a review of the existing Governing Document in 2018, Directors identified: incompatible sections; errors in wording; and necessary additions, required by law. Additionally, the Board expressed a desire to condense the existing 3 documents (the original Memorandum of Association, the Articles of Association and the byelaws that have been enacted in the interim) into 1 readable booklet form. The new Governing Document is important work that will make future reviews of Governance much simpler. The genesis of the updated Document came from a Working Group made up of 2 Directors (Alisdair and Mairi) and 2 Members (Gareth Watson and Angela MacLeod). The Board thanked the Working Group for their efforts.

- **Sections:** Proposed changes were divided into 5 sections: Changes required by law; Changes reflecting best practice recommended by the SCVO and OSCR; Additions for the sake of clarity, to remove inconsistencies and duplication; and Changes proposed by the Board to enable the Trust to run properly. Alisdair proposed that each change/addition be looked at individually, before proposing and voting on the 12 resolutions, into which the changes have been grouped. Although none of the changes would require the approval of OSCR, debate and questions on any of the changes was encouraged at any stage of proceedings. All those present agreed to this format for the Meeting.
- **Resolutions:** Alisdair began going through each proposed change, explaining the Working Group's rationale for each one and also allowing an opportunity for comment and debate for each.
 - * **Additions:** The proposed resolution included: How to use the new Governing Document (0.01); Explanation of terms (0.02); Trust Development Plan (1.02); and General structure (2.01). No queries or issues with the changes were raised. Flora proposed the resolution. Gareth seconded the proposal. The resolution was approved unanimously with 11 votes in favour.
 - * **Legal requirement:** The proposed resolution (#2) included: Legal requirement to include a Register of Members (2.09). Flora proposed the resolution. Lesley seconded the proposal. The resolution was approved unanimously with 11 votes in favour.
 - * **Best Practice endorsed by SCVO and OSCR:** The proposed resolution (#3) included: Include provisions for proxy votes (3.03); Ordinary and Special Resolutions (3.04); Information about office bearers (4.02); Resignation as a Director (4.06); Requirements around resignation as a Director (4.07); Termination of office as a Director (4.07); Responsibilities of Directors (5.01); New byelaws must be put to a General Meeting for approval (5.01); Register of Interests must be completed within one Board Meeting of being appointed as a Director (5.04); Include status of employment and employer when Directors complete the Register of Interests (5.04); Other provisions relating to Directors (5.04); Register of Interest to be made available to Members on request (5.04); Conduct of Directors (5.05); Modifying governing documents (6.01); Delegation to sub-committees (6.02); Operation of bank accounts (6.03); Resignation of Directors must be minuted (6.04); Signing off the last set of minutes as a fair and accurate representation (6.04);

Financial management of the Trust (6.05); Indemnifying officers (6.08). Regarding item 3.04, Gareth asked what instances would be counted as 'ordinary'. Alisdair replied that this would be limited to the situations listed in the draft Governing Document, which are: the approval of the Chair's annual report and of the annual accounts; and the appointment or reappointment of the Trust's auditors. Regarding item 4.06, Lesley asked how this would be enforced. Alisdair stated a letter requesting a written resignation would be sent to the departing Director. Gareth suggested it may be prudent to formally raise the issue at the following Board Meeting if a letter of resignation hasn't been received. Regarding item 5.04, Gareth said situations may arise, particularly as a result of the development of projects or services, where a conflict of interest occurs that no one had anticipated. To mitigate against this outcome, it is a good idea to recognise a bigger onus on the Board to check for conflicts of interest when HCD embarks on new projects. Jennifer suggested a policy of 'if in doubt, declare it!', with a formal opportunity to declare any conflicts of interest at the beginning of each Board Meeting. Flora and Alisdair agreed with this approach. Regarding item 6.04, Alisdair clarified that having Minutes signed off at Board Meetings is not a requirement by law, but has been proposed to implement best practice. Flora proposed the resolution. Jimina seconded the proposal. The resolution was approved unanimously with 11 votes in favour.

- * **Membership Age:** The proposed resolution (#4) included: Current age for membership is 16 but the Memorandum of Association specifies 18 (2.04). Flora proposed the resolution. Innes seconded the resolution. The resolution was approved unanimously with 11 votes in favour.
- * **Membership Eligibility (sub-letting):** The proposed resolution (#5) included: Extending the eligibility for membership of the Trust to include someone who sublets a croft in the Horshader community but does not satisfy the other eligibility criteria (2.04). Kathleen asked if this applied only to formal sub-letting, where a contract has been signed. Alisdair confirmed this to be the case. Lesley made the point that an active membership could outlast a formal sub-let. To counteract this possibility the details of the sub-let must be made known to HCD office staff, who will keep a record of the end date of the sub-let. Flora proposed the resolution. Gareth seconded the proposal. The resolution was approved unanimously with 11 votes in favour.
- * **Membership Eligibility (length of residency):** The proposed resolution (#6) included: Removing the 3-month residence eligibility criterion (2.04). Alisdair stated this criterion seems discriminatory, and possibly unlawful, hence the proposed change. Kathleen asked whether this applied to all residents, or home-owners only. Alisdair confirmed it was for all residents. Gareth asked whether there was any information pack available to those interested in becoming Members. Flora said that a visit to the Trust office should suffice in this regard. Flora proposed the resolution. Jimina seconded the resolution. The resolution was approved unanimously with 11 votes in favour.
- * **Members' Conduct:** The proposed resolution (#7) included: Include Members' Conduct (2.06). Alisdair explained that the proposed change was included to have a baseline for the conduct of Members which could be referred to in event of any misconduct. Andrew suggested including a comment on social media conduct. Gareth suggested adding in 'to act with honesty and integrity as part of the Trust and to the General Public'. Jimina said it would be difficult to include Gareth's suggestion as it may be outwith the scope of the Trust and the Governing Document. Lesley agreed with Jimina as the Trust would have no authority or interest in any disagreement, or other fallout, between Members. Kathleen suggested including a statement on Members' obligation to support the Trust. Alisdair agreed in principle but that it would be hard to enforce. Jennifer suggested altering the wording of the proposed change to 'act in and promote the best interests of the Trust'. Alisdair agreed with Jennifer's suggested wording in principle, and would consider it for inclusion in the final version of the Governing Document. Flora proposed the resolution.

Lesley seconded the resolution. The resolution was approved unanimously with 11 votes in favour.

- * **Mechanism for Split Vote:** The proposed resolution (#8) included: Using a Members; ballot to break a deadlocked decision at a General Meeting (3.02). Gareth commented that this seemed a good way to engage with Members. Flora proposed the resolution. Andrew seconded the resolution. The resolution was approved unanimously with 11 votes in favour.
- * **Election of Directors (1):** The proposed resolution (#9) included: Special resolution required to change the maximum number of elected Directors (4.01). Flora proposed the resolution. Gareth seconded the resolution. The resolution was approved unanimously with 11 votes in favour.
- * **Election of Directors (2):** The proposed resolution (#10) included: Directors can only be appointed at General Meetings (4.05). Flora proposed the resolution. Jimina seconded the resolution. The resolution was approved unanimously with 11 votes in favour.
- * **Responding to formally raised issues/concerns:** The proposed resolution (#11) included: Confirm method and timing that the Board must observe when responding to issues or concerns raised formally by Members (5.01). Flora proposed the resolution. Innes seconded the resolution. The resolution was approved unanimously with 11 votes in favour.
- * **Expenses incurred by Directors and Members:** The proposed resolution (#12) included: Expenses incurred by Directors and Members must be approved in advance (5.06). Innes asked for clarity whether this was for all Members. Alisdair confirmed expenses could be claimed by all Members if pre-approved. Flora proposed the resolution. Mairi seconded the resolution. The resolution was approved unanimously with 11 votes in favour.
- **Conclusion:** Alisdair thanked everyone for their patience and support during the General Meeting. It was noted that prior to the meeting a comment had been made on the use of Gender-specific language (language which may be biased towards a particular sex or social gender). The final version will be reviewed to avoid any instances of gender bias. Other valid suggested amendments will be incorporated into the final version of the updated Governing Document. The Governing Document will be prepared in an easy-to-read booklet format which will be sent to all Members. Flora thanked all attendees, and Diana, who voted by proxy.

The Board of the Horshader Community Development Trust