

## Minutes of HCDT Quarterly Open Board Meeting on 17 September 2018

**Present:** Flora MacLeod; Mairi MacLean; Sharon MacLeod; Jimina MacLeod; Domhnall MacLeod; Alisdair Wiseman; Alan Murray (Development Officer).

**Venue:** Raebhat House.

### Update from the Chair: Flora Macleod

- Welcome to our first quarterly open Board meeting. It is my fervent hope that more and more members of the community will come along to these meetings so that everyone can feel involved and up to speed with what's going on in the Trust.
- We have a lot in store for you tonight, including tea and cakes to keep you going.
- I'm going to get the ball rolling by giving you an update on what your Board of Directors has been up to since their first meeting on 9 April - a little over 5 months ago, although it feels as though 5 years have passed!
- I won't lie - it's been a challenging 5 months, a baptism of fire and certainly far tougher than any of us expected.
- However, I have a strong team behind me and together we have achieved a surprising number of things.
- In this time, there have been 13 formal Board meetings, one training session and countless informal meetings. Attendance at Board meetings, and commitment to the job in hand, has been outstanding for which I thank my fellow Directors. We use an action list to keep our meetings focused, get the minutes out within the week and follow through on all our commitments, even if we're a week or two late on some of them. So, governance is going well.
- We're working at developing stronger ties with the community. We've had our first community consultation, delivered 3 editions of the newsletter and here we are for our first quarterly open Board meeting. We have developed a much stronger relationship with the school. The exploits of David Murdo and the sunflowers and Don at prize giving are already being immortalised in song and story. And we have more school projects on the drawing board.
- We've tackled two major issues: returning the growing project to its original aims; and closing the loss-making shop and cafe.
- As far as the growing project is concerned, the team and many people in the community have been working hard to get the polycrubs back into shape. It's a work in progress but things have moved on substantially since April.
- As far as the shop and cafe are concerned, you will appreciate that it's not appropriate to go into detail about what happened. However, I know you know that it was a very difficult time. Alisdair will explain the financial position in a moment or two. In a nutshell, the operation managed to lose £25,000 in its first 7 months of trading. We saw no hope of it recovering this loss or indeed of even breaking even in the foreseeable future. It is our responsibility, as Trustees, to manage the affairs of the Trust in a prudent manner. As such, we had no alternative but to close the operation. I can assure you that we operated with the highest level of discretion, respect and fairness throughout although you will know that we were sorely tested at times. An anonymous letter was sent to BBC Alba containing all sorts of untrue and defamatory allegations. And a relentless social media campaign was waged against the Board collectively and individual Directors. Throughout, we turned the other cheek and continued to act professionally. We're just glad it's all over and that we can now focus on the future.
- There have been many more small achievements. I won't list them all but in particular: we have instituted an equipment grant enabling people in the community who need specialist equipment to cover all or part of the cost; we have organised the return of the loom that went missing in action; we have completed a deep clean of the cafe kitchen; and, of course, we have provided a fair number of grants to other bodies and individuals.

- So, in summary, a challenging 5 months where, on occasion, we seemed to be going backwards but in reality we achieved a huge amount and emerged a stronger Board ready, with your continued support, to take the Trust forward.

### **Shop & café ‘final’ statement of accounts: Alisdair Wiseman**

- As you know, the Board took the decision in the early part of June this year to close the shop and café because it was making substantial losses. At that point, and on the numbers we had available, the operation had lost £25,000 in the first 7 months since October 2017. We asked our accountants to prepare a final statement of accounts because you have a right to know. Even this is not the final statement as there some additional items to include like the deep clean of the kitchen area carried out by CleanSquad last week. However, the headline numbers for the whole period of operation are as follows:

Sales	£28,173
Cost of Sales	<u>£51,044</u>
Operating Loss	£22,870
Overheads	<u>£10,013</u>
Total Loss	£32,883

- Before the Board took the decision to close the shop and café, we prepared a forecast based on anticipated sales and a 67% margin on those sales (despite the fact that a positive margin had not been achieved on any previous sales) and the total forecast loss for 2018 would have been over £17,000 excluding the loss of £11,500 for the period October to December 2017.
- On the basis that the operation had never made a positive margin, it's fair to assume that this forecast understates the potential loss had the shop and café remained open.
- Anyone that was following the Facebook campaign being waged over the summer months will have noticed that our accountants were accused of getting the numbers wrong. The Board is confident that these numbers are accurate.

### **An overview of the HCDT Draft Annual Accounts for 2017**

- The accounts have not yet been analysed in detail and confirmed with the Trust's accountants. As such, we are not in a position to release copies of the draft accounts.
- Total Trust funds as at 31 December 2017 stood at £1,107,740. This was made up from £576,009 unrestricted funds (monies that can be spent on a discretionary basis as long as they relate to the charitable aims of the Trust) and £441,731 restricted funds (monies that have been granted to the Trust by other funding bodies and must be spent on the purpose for which they were intended).
- Income for 2017 comprised: £188,006 of unrestricted funds (£141,061 from the turbine, £9,025 bank interest and £37,695 from sources such as rental income and the shop and café) and £76,121 restricted funds (£76,121 from the Growing Project and £18,122 from the Rural Transport Grant – running the minibus).
- Expenditure for 2017 comprised: £196,859 unrestricted funds (£119,482 on community development projects, £25,986 on arts & culture projects, £35,391 on recreational projects and £16,000 on education grants) and £187,220 restricted funds (£127,213 on the Growing Project, £10,222 on community development projects and £49,785 on running the minibus).
- This represents a net expenditure for the year as a whole of nearly £120,000. Part of this amount is accounted for by depreciation but it is still a substantial deficit and one that is not sustainable. It is imperative that budgets and proper financial management are put in place for 2018 to ensure the prudent running of Trust affairs.
- The Trust is fortunate to have the income from the turbine. However, we cannot rely on this alone as we take the Trust forward. We must once again look to outside funding bodies for grant assistance with some of the projects we undertake in the future.

### **Grants provided by the Trust this year: Alan Murray**

- An Lanntair: Iolaire Centenary Commemoration;
- Lewis and Harris Youth Clubs Association (LHYCA), The Scaladale Centre: contribution to the replacement minibus for the Scaladale Centre;
- Sgoil Shiaboist – school trip P5-7 (to Inverness);
- Clann An Latha An De: annual mainland culture trip;
- An Eathar Rowing Club: An Eathar Summer Events 2018;
- Shawbost Gardening Group: community garden & floral displays;
- Bragar Fitness Group: upgrade & expansion 2018;
- Carloway Agricultural Society: Carloway Show programme;
- Carloway Community Association: Carloway Community Newsletter;
- Westside Hebrides Alpha Support Group: 2018 fundraiser for Hebrides Alpha;
- Kathleen Macleod: contribution for a mobility chair for her father Calum;
- Carloway Football Club: contribution to ground maintenance equipment; and
- South Shawbost Common Grazings: Druid na Loch Reinstatement Project.
- Bursaries to Robyn Bradley and Seumas Macleod for the new academic year.

### **The first draft of the Trust Development Plan: Alisdair Wiseman**

- It is critical for any organisation to know what it stands for, what it intends to achieve and how it will deliver its objectives. In a business sense, this is called its strategy; for a charitable trust, it's called the Trust Development Plan.
- The first key component of the Plan is the Trust's mission – its overall purpose. This was previously defined in the Community Handbook in 2012. In essence, our mission, into the foreseeable future and with the support of the people in the area, is to make the Horshader community an attractive, sustainable and vibrant community to live in.
- We next need to understand the key things we need to do to deliver this mission. In strategy-speak, these are called Key Strategic Tasks. For a charitable trust, they are called the Charitable Aims and, once again, these are already defined in the Community Handbook:

Developing the community

Supporting the disadvantaged in the community

Protecting the local environment

Regenerating the local economy

Supporting the Gaelic language and culture

Relieving poverty and hardship in the community

Providing recreational activities for the community

Supporting the advancement of all forms of education in the community

- The Board added one further task, that of building a stronger Community Development Trust, which will cover all aspects of how we run and manage the Trust to ensure that we operate in line with best practice and observe all aspects of the charities and other laws by which we are bound.
- We thought about the relative importance of these key strategic tasks – this will change with time as we complete some of the projects we intend to undertake. And we looked at how we might monitor progress.
- Finally, the Board reviewed all the suggestions from the Community Meeting on 9 June 2018 as well as all the ideas that came from previous consultations so that we could select a shorter list of those projects that we might take forward in the next five years or so. As you will imagine, we had to make some tough decisions. We wanted to be ambitious and yet at the same time realistic. We obviously need to get the community's support for the projects selected – so the list in the Trust Development Plan might not be the final list. Further consultation will be required.
- Our final task was to select the handful of projects that we would like to actively pursue in the short to medium term.

- We selected one flagship project which will have a timescale of around 5 years: building a care home in the community with a laundrette, sheltered housing for vulnerable and elderly people, affordable housing to enable young families to live in the community and a play park for the young people, possibly including a separate wind turbine to provide power for the development and perhaps generate some additional income.
- We selected two mid-sized projects with a timescale of around 2 years. The first is improving access to and the facilities at the three beaches in the community. The second is to upgrade and possibly add to the walkways in the community.
- Finally, we selected a number of small projects that might be completed within a year or so:

Ensuring regular grass cutting along the main road;  
 Reinstating the old croft roads that meet the loch;  
 Setting up the hire of communal machinery & equipment; and  
 Upgrading the facilities at Raebhat House so that it can become a proper community space.

- Clearly, these are just the first thoughts and there will be a requirement for further consultation in the coming months.

### **Christmas events: Jimina MacLeod**

- We intend to have a Christmas party for the young people in the community. And we looking into a Christmas party for other people in the community as well.

### **Flora then opened up the meeting to questions**

- Roderick Morrison enquired as to whether there is ongoing fault reporting in place for the wind turbine. Alan Murray assumed he was talking about the current fault with the turbine and responded that SSE will provide us with a full report of both the current problem with the STATCOM, the proposed new STATCOM solution and the works required to put this in place. Roderick Morrison then mentioned that he has noticed an increase in the noise or a change in the sound of the turbine as heard from a distance. Alan Murray informed him that there is software that monitors parameters such as noise and faults with the turbine itself and that it doesn't look like there is anything unusual, other than the 1/3 curtailment, but that he will certainly look into it. Di Hesketh asked for confirmation that the current fault is with the STATCOM and not the turbine itself, Alan Murray confirmed. Di Hesketh commented that SSE can be slow to respond.
- Angela Macleod asked Alan Murray what the exact financial impact of the turbine curtailment is. Alan Murray responded that the revenue the turbine generates has been reduced to about 1/3. Financially, this is a reduction from an approximate figure of £12k-15k a month via the Feed-in-Tariff, to around £3k-4k a month i.e. a third. Flora Macleod confirmed that the Trust has an insurance policy to cover this situation. Alan Murray indicated that the cover was for up to £500,000 per annum in last income and up to £1.5 million for capital replacement.
- Di Hesketh asked about the condition of the loom which has been returned to Horshader. Alisdair Wiseman informed her that the loom is currently in the process of being checked and serviced.
- Gareth Watson asked whether there had been any interest in taking up the spare loom. Flora Macleod said that once it had been serviced, the Trust would ask for interested parties to let themselves be known and all would be interviewed to determine the most appropriate person to take the loom on.
- Regarding the Trust Development Plan which includes a care home, sheltered housing, improved beach access, etc. Lindsay Bradley asked the Board where they plan to build the proposed care home. Flora Macleod responded that at the present moment, this is just an idea and that a potential location has not yet been decided. Lindsay Bradley asked if the Board had considered the impact to nature and wildlife in the area. Donald Macleod commented that as a resident who lives near Dalmore beach, he did not agree the impact on wildlife would be

significant. Lindsay Bradley remarked that the Board doesn't know this. Angela Macleod added that any proposed development would likely be made to include an environmental impact study as part of the process. Alisdair Wiseman advised Lindsay Bradley to hold onto her concerns to ensure that the considerations she mentioned are not forgotten as the Board proceeds with the Development Plan.

- Angela Macleod suggested that putting more information out as to what sort of grants and funding is available from Horshader would be a good idea. Alan Murray agreed and responded that it has become apparent that some of the services Horshader provides have been forgotten. He mentioned that a brochure listing all the services and funding currently provided by Horshader is in the works.
- Alisdair Wiseman asked those present if they had any ideas about how we might encourage greater numbers of people in the community to attend the quarterly open Board Meetings. We agreed that it might be useful to vary the day of the week and the time of the meeting to enable more people to attend. Di Hesketh commented that visiting people in their own homes had worked well in the earlier days of the Trust as a way of engaging the community.
- Flora Macleod thanked everyone for attending, especially as the weather had been so inclement, and closed the meeting.

**Next meeting:** Mid-December 2018 (possibly combined with the Christmas party).

The Board of the Horshader Community Development Trust

## HORSHADER COMMUNITY DEVELOPMENT TRUST : TRUST DEVELOPMENT PLAN FIRST DRAFT : SEPTEMBER 2018

Our mission, into the foreseeable future and with the support of the people in the area, is to make the Horshader community an attractive, sustainable and vibrant community to live in. We will achieve this by:

Key Strategic Task	%	Key Indicator of Success	Key Actions
Developing the community	15	Event attendance	Build a care home with sheltered housing etc. Build a laundrette Ensure regular grass cutting along the main road Clear up old cars Develop facilities at all the community beaches Reinstate the old croft roads that meet the loch
Supporting the disadvantaged in the community	15	Number of people assisted	Establish support for vulnerable people Provide grants to young people to set up home Provide equipment for the elderly
Protecting the local environment	7	Funding: provided & received	Manage the area for nature conservation Control selected wildlife (geese & rabbits) Build coastal shelters
Regenerating the local economy	18	People employed	Create serviced plots for housing Establish farmers' markets Set up the hire of communal machinery & equipment
Supporting the Gaelic language and culture	5		Provide active support to the Museum Group Preserve local knowledge of crofting Promote the use of Gaelic
Relieving poverty and hardship in the community	15	Services available Funding provided	Create social grants for community families Support greater energy efficiency for older houses
Providing recreational activities for the community	7	Number of events & services	Establish a programme of regular community events Build a play park Develop the walkways throughout the community Develop Loch a' Bhaile for recreation Upgrade the facilities at Raebhat House
Supporting the advancement of all forms of education in the community	7	Number of interactions	Support school projects Support extracurricular activities Support sport & music for young people Facilitate the provision of training courses
Building a stronger Community Development Trust	20		Improve communication with the people in the area Establish best-in-class governance Ensure the sustainability of the Trust

Flagship project: 5 years

Mid-sized projects: 2 years

Smaller projects: <1 year