

**Minutes of the Horshader Community Development Trust
Annual General Meeting
Wednesday 11 May 2022**

Present:

From the HCDT Board

John Gordon (Chair); Fiona Jefferson; Carole Miller.

HCDT Members

Fiona Knape; Ian Mackay; William Jefferson; James Jefferson; Alisdair Wiseman; Flora Macleod; Donald Macleod; Innes Macleod; Andrew Macleod; Gareth Watson; Di Hesketh; Angela Gardner; Mairi Maclean; Donna MacLennan; Christina Finlayson; Nicola Finlayson; Etta Morrison; Roddy Morrison; Donald Murray.

HCDT Associate Members

Anna Morrison; Keith Emmerson; Sharon McQueen Emmerson; Lydia Emmerson.

HCDT Members by virtual video link

Angela Macleod.

HCDT Associate Members by virtual video link

Jennifer Speirs.

HCDT Members present by proxy

Lesley Wiseman.

From HCDT Staff

Euan MacLeod; Don Macdonald; Derick MacLennan.

Apologies: Lesley Wiseman; Calum Macdonald.

Venue: Raebhat House (Community Space).

Opening Remarks from the Board

John welcomed everyone to the meeting. Calum Macdonald (CIB Services) had been due to give a short presentation on the Trust's 2021 Annual Accounts; however, due to illness, Calum could not attend the AGM. John let the members know that if any questions about the accounts or finances in general remain unanswered, the board would put these to CIB Services and send answers to the members by email and posted on the website.

Fiona Knape asked if a separate meeting could be held to go over the 2021 accounts. John suggested the question could be proposed under AOCB, and, if the members want to hold a separate meeting, it would be arranged by the board. Fiona agreed with this approach.

There was discussion over whether Calum Macdonald had been at the 2021 AGM, held in October 2021. It was clarified that Calum had given a presentation of the 2020 annual accounts at the first attempt at an AGM (held in September 2021), a meeting which was inquorate. Calum was unable to attend the quorate AGM held in October 2021.

Minutes of 2020 AGM

John asked if someone would propose the 2020 AGM minutes for approval. Alisdair said the minutes were inaccurate and not a fair representation of what had taken place, he asked for the opportunity to raise various issues before any proposal to adopt the minutes be made. Alisdair was given the floor and made the following points:

Alisdair said that the AGM in October 2021 had been conducted dreadfully. He believed that John Gordon and Innes Harrison had attempted to demonstrate wrongdoing on his part by falsely alleging that he had received a bursary whilst still a Director of the Trust, thus contravening the Governing Document which stated, at that time, that a serving Director could not receive a benefit. Thereafter, Alisdair lodged a formal complaint about the conduct of the meeting and, though the Board's response was half-hearted, it accepted that he had done no wrong. However, the minutes to that meeting, leave that false allegation in place and therefore do not represent a true and fair record of that meeting. Specifically:

The minutes say, [quote] "Innes gave a timeline of events, which led to a Director being awarded a bursary in September 2020; the byelaw was adopted in October 2020." This is inaccurate. Mr Harrison actually stated in the AGM, on more than one occasion, that Alisdair had engineered the adoption of the bye-law in July, without any consultation with the community, so that Alisdair could receive a bursary. Alisdair's bursary was approved in August 2020, but not awarded until 12 October, 2020, at which point Alisdair was no longer a Director of the Trust, demonstrating that he did not act in contravention of the Governing Document.

The minutes say, [quote] "Alisdair encouraged Innes to name the Director in question. Innes named Alisdair as the Director." This is false. Alisdair volunteered my name to those present at the AGM, without any prompting from Mr Harrison, so that no one was in any doubt about which Director was being described. The minutes are therefore not a true and fair record of that AGM.

The minutes say that [quote] “he [Alisdair Wiseman] refused to take payment for the bursary until after the AGM, once he had formally resigned as a Director.” This is inaccurate. Alisdair did not have this information at his disposal at the meeting. Alisdair provided it later in his formal complaint about the conduct of the AGM.

The minutes say, [quote] “Innes believed it was wrong that the bursary had been awarded.” This is inaccurate. This was not stated at any time during the AGM, although it was clearly and strongly implied more than once. I know this because I wrote up my recollection of the AGM the following day, while it was still fresh in my memory.

Alisdair said that the minutes are therefore not a true and fair record of that AGM.

Alisdair then gave a timeline of events leading to his bursary award in 2020:

On 20 June 2020, Alisdair indicated to the Chair that he wished to resign as a Director, but that he would stay on until the AGM in a non-operational role, to enable the Board to remain quorate;

On 20 August 2020, Alisdair forwarded a bursary application to the Trust;

On 31 August, 2020, the Board made a series of decisions, one of which was to approve Alisdair’s bursary – not award it, just approve it. The minutes clearly state that Alisdair recused himself from the decision, due to a clear conflict of interest, but stayed in the building so that the Board remained quorate;

On 20 September 2020, Alisdair e-mailed the Development Manager to ask him to delay payment of the bursary until after the AGM, when Alisdair intended to formally resign as a Director, specifically to avoid contravening the Governing Document;

On 6 October 2020 the Covid-delayed AGM took place, the bye-law was approved, and Alisdair resigned as a Director; and

On 12 October 2020, the Trust lodged the bursary funds in his bank account, 6 days after his resignation. So, to be crystal clear, Alisdair did not receive any benefit whilst still a Director, and therefore did not contravene any aspect of our governing document.

Alisdair continued to say that as the minutes stand, they continue to state that he was guilty of wrongdoing. Alisdair requested that the minutes be

modified to reflect what was actually said; and a note be attached to the formal minutes of the 2021 AGM that states, unequivocally, that he did not contravene any aspect of the Trust's Governing Document, nor undertake any wrongdoing with regard to the award of the bursary in 2020.

John thanked Alisdair and agreed with aspects of what he had said. John agreed that Innes has not named Alisdair, and that Innes had not said it was wrong that the bursary had been awarded, as the minutes state. John said these passages must be struck from the minutes. John said part of the minutes had been deleted, this part made clear that, following a timeline of events given by Alisdair, that John had accepted Alisdair's explanation during the 2021 AGM. John asked Euan to update the minutes to reflect Alisdair's points.

John said that his intent when raising the issue of the bursary award at the 2021 AGM was to raise a valid concern about the governance of the Trust. He had no intention of casting doubt on the integrity of anyone.

Gareth Watson suggested Alisdair's point be included in the minutes of the 2022 AGM. John agreed with this.

Fiona Knappe suggested that the draft minutes of the 2021 AGM be updated and sent to Innes and Alisdair to proofread. Once finalised, they could be sent out to the members with the next newsletter. John agreed with this and asked Euan to send the updated minutes to Alisdair, and to the members present at the 2021 AGM, for approval.

Matters arising from the 2021 AGM Minutes

There were no additional matters arising.

Presentation and Adoption of Annual Report 2022

John gave a presentation of the Annual Report, focusing on the core services, selected projects, and the HCD Community fund, during 2021. John acknowledged that he had come into post in October 2021 and had not been the chair for most of the year.

John said there had been successes and challenges. Several experienced staff members had left post at the start of 2022 which was challenging. Recruiting new staff had also not been straightforward – which may be connected to Covid. Some appointments have been made in 2022.

Successes for 2021 included the growth of the Tree Ark facility. Income from tree sales increased greatly in 2021, while external funding enabled the employment of a Tree Ark nursery person.

The sub-sea cable failure caused financial uncertainty. The cable was not operational until August 2021. Following resolution of the situation, the annual accounts showed a net profit of over £80k.

John highlighted the continuation of services which support the community. Support and Connect and Slàn san Dachaigh provided important services and were well received by local people. Funding received at the end of 2021 has enabled the Trust to purchase additional outdoor sports equipment for the use of the community – this will be developed in 2022.

Rent free accommodation continued to be provided to An Eathar.

Grants and bursaries were awarded by the HCD Community Fund. John highlighted bursaries as an important aspect of the organisation's work, particularly as a way of encouraging young people to gain qualifications. Going into 2022, the board has raised the maximum level of bursaries from £2k to £3k.

John mentioned one grant award made to Lewis Crofters for a project to establish an online ordering system. There were two reasons for making the award. Firstly, Lewis Crofters serves the entire island, and the project would benefit the Horshader community. Secondly, the grant award had been approved in 2020, subject to Lewis Crofters getting the full funding package in place. Once the full funding package was in place, the current board of directors approved payment of the grant as an act of good faith, based on the previous board's award.

Other awards were made to Hebridean Mountain Rescue Team, and Western Thistle Football Club.

In 2022 a donation of £5k was made to the Ukraine Appeal on behalf of the members.

The winter fuel project continued in 2021. John stated that at the start of 2022, the project was extended to provide an additional contribution per household. This decision was made due to rising cost of fuel.

John opened the floor to questions from the members.

Iain asked who was currently connected to Horshader as a consultant. There was a lengthy discussion of the employment of a former Horshader employee on a consultancy basis in 2022. Several members expressed concerns at the employment of the individual. Alisdair had communicated his concerns in writing and felt that the board had not properly considered this. John could not recall the board receiving any evidence of incontrovertible evidence of wrongdoing on the part of the former employee. John said that the board tried to listen to the community on all matters and had no intention of upsetting anyone or making a decision that would concern the membership. Angela Macleod gave her views on the situation, Angela was the Development Manager in post at the time of the issue being discussed, she expressed her disappointment that she was not consulted.

Iain then asked if, considering the Lewis Crofters grant, if other businesses could apply for funding. John said that any application for funding would be judged on its own merit. John reiterated the reasons for awarding the grant. Flora said that, while serving as chair, she recalled the application and that the Trust had requested that a specific benefit be established for Horshader residents. Flora thought this request had been rejected by Lewis Crofters; she could not remember the conclusion of the matter. John said that board meeting minutes showed that the grant award had been approved by the previous board.

Iain asked if funding could be given to Stornoway Lifeboat. John said that any application from Stornoway Lifeboat would be considered.

Alisdair commended the musical events arranged by the Trust. He also commended the Trust's fundraising for projects. Alisdair proposed a vote of thanks for Chris Humphreys, former Head Gardener.

Plans for 2022 and Beyond

The plans are to continue to provide meaningful resources for the community. John mentioned Support and Connect, Slàn san Dachaigh, the Winter Fuel Project, grants, and bursaries.

The Trust's Finances

John considered the financial position of the Trust to be healthy. The board met with Calum Macdonald prior to the AGM, Calum also considered the financial position to be healthy.

Alisdair asked if the Trust had been able to establish independent financial oversight of the financial affairs – something that the previous board had failed to do. Alisdair communicated his concerns with the board in December

2021. John responded that the Trust, and membership, appoint an independent financial accountant and auditor at each AGM. There followed a discussion over whether CIB Services alone can provide independent financial oversight. Di suggested the Trust co-opt a director with financial expertise. It was confirmed that CIB Services provide on-going monthly management accounts and annual accounts. A separate part of CIB Services audits the accounts. Fiona Knape felt it would be worth employing a separate firm to carry out a full audit of financial transactions (e.g. grant payments could be checked from application stage to the final award) to ensure best practice. The board thought Fiona's suggestion was worth investigating. John reiterated that the Trust has an independent auditor in CIB Services.

Carole said the Trust were considering appointing an independent financial advisor.

Alisdair asked what the restricted funds, mentioned in the annual accounts, are. John clarified that restricted funds are largely assets (buildings, facilities, and vehicles). **The board will put this question to CIB Services and ask for a simple explanation.**

Angela Macleod asked when the turbine loan repayments would be paid back in full and what plans the board had to use the increased funds that will be received once the loan is repaid. **The board will ask CIB Services for the full details of the loan, this info will be sent out to the members.** Angela suggested this info should be included in the annual report in future.

Appointment of Auditors

The auditors for 2021 were CIB Services. Alisdair proposed CIB be appointed auditors for 2022. The proposal was seconded by Di. The members present voted in favour of the proposal.

Fiona Knape asked if Calum Macdonald was the only accountant who worked on the Horshader accounts. **The board will ask CIB Services for details of their succession plan, in case Calum retires or leaves post.** Euan confirmed that Calum was not the only accountant working on the Trust accounts, different members of CIB Services are responsible for preparing the monthly and annual accounts, payroll services, auditing, etc.

Election of Directors

No nominations had been received by the Trust prior to the AGM. As per the governing document, 50% of the directors stepped down. John resigned as a director and did not stand for re-election, giving personal reasons for his decision. John thanked the community for their support and spoke about his

rewarding experience of working as a director of the Trust. John thanked his fellow directors and the staff; he also thanked Chris Humphreys and Anna Mackenzie for their good work, both of whom resigned at the end of 2021 with the best wishes of everyone at the Trust.

Donald Macleod asked why Innes was not present. The board said they had received apologies from Innes.

Fiona Jefferson stood down but indicated she was open to remaining on the board.

Alisdair proposed Fiona Jefferson for re-election. Di seconded the proposal.

Di proposed Fiona Knappe. Fiona refused to stand because of personal commitments.

Alisdair said difficulties in recruiting directors was an on-going issue. He suggested, if the Trust could not appoint 4 directors, it may be an effective way of highlighting the issue to the community, which may not be a bad thing. Angela Macleod agreed with Alisdair's point and that the issue is a historic one and suggested a proper review of the issue.

Carole shared her arranging a board training day which would be open to all members of the community. This may encourage more participation.

Fiona Knappe asked how much of a commitment, in time and effort, is required of a director. Carole said, at present, it is one board meeting per month, which can take 2-5hrs. Additionally, there may be other meetings to discuss project management or events. The board has discussed holding more frequent, shorter meetings.

Angela Macleod asked if directors could be paid. The board responded that at present this would be unconstitutional. Expenses, however, are reimbursed, though the directors do not normally have any expenses.

Donald Murray volunteered to stand as a director. Alisdair proposed Donald. Flora seconded the proposal.

Roddy Morrison proposed Colin Miller as a director. Colin and Carole had agreed that they would not stand on the board at the same time.

Keith suggested, as a way of encouraging more participation, that directors could attend meetings on a rota basis, as long as 4 directors were present

at any given meeting. Alisdair pointed out that directors must attend 75% of all meetings, as per the governing document.

Roddy proposed Angela Macleod as a director. Angela declined to stand.

John asked for a show of hands to appoint Fiona. A majority of those present voted in favour. Nobody voted against the election.

John asked for a show of hands to appoint Donald Murray. A majority of those present voted in favour. Nobody voted against the election.

There was general agreement that holding open board meetings would be useful.

Any Other Business

John asked if the members wanted him to remain in the chair. Everyone agreed for John to remain. The board asked if there was any other business.

Iain asked about funding the Trust has provided towards the installation of linked smoke alarms. The board responded that they had encouraged anyone looking for financial assistance for smoke alarms to apply by email. This was publicised in the quarterly newsletter. So far, several applications have been approved.

Iain asked how the electrical repair workshop (Revive) project had come about. John responded that the board had been approached by a member of the wider community regarding the project. The board considered the project worthwhile and agreed to fund it. There was a discussion about the Revive project, including the startup costs and the salary of the project manager. As the project was needed in the community and met the Trust's charitable objects, there was no initial consultation with the community. The project manager has been employed by the Trust due to his skills and expertise; as such, there was no tendering or application process for the position. In response to Flora's question about start-up costs, the board stated these were minimal.

The board made clear that the purchase of the container to store Support and Connect equipment, and the relocation of An Eathar equipment, from their previous facility to the large shed, was not connected to the establishment of the Revive project.

Iain asked why An Eathar had been relocated. The board had not been aware that An Eathar were housed in the small shed. Once they became aware of this, they reviewed the situation and decided the large shed would

be more appropriate. The board had no record of a formal lease between An Eathar and the Trust. Iain said that there was a lease, but he would not provide the board with it. Iain felt the meeting with An Eathar had been conducted in a hostile manner, John disputed this and felt the meeting had been constructive.

Fiona Knappe asked about the Trust's long-term plans to replace the turbine, and the associated income. Fiona suggested speaking to Galson Estate about their plans. Fiona Jefferson said that establishing other income sources had been discussed and the board were actively developing several initiatives.

Flora asked if eligibility for bursaries had been extended outside of the Horshader area. John said that people from out with the area could apply, and that the bursary rules are being reviewed. Alisdair felt that, changing the eligibility for bursaries should have gone to consultation. John wished to be clear that, although some services are available to the wider community, the Horshader boundaries had not been extended or changed.

Iain asked why the winter fuel grants had been extended to North and New Shawbost in 2022. He felt that this was unfair on residents out with the Horshader area in Carloway – the turbine being situated in the Dalmore estate which takes in part of Carloway.

John asked the members present whether they approved of the inclusion of North and New Shawbost in the bursary scheme. Alisdair said that proper consultation would be required, and that this could not take place at the AGM. John said the decision to include North and New Shawbost in some services was made by the board and if the members disagreed, they could make their views known. Fiona Jefferson said there was a historic basis for including North and New Shawbost, giving the Support and Connect project as an example.

Donald Macleod said the minutes of a monthly board meeting had suggested there was confusion regarding the Horshader area boundaries. Fiona Jefferson clarified that this discussion related to the estate boundaries and not the Horshader area.

Alisdair proposed a policy meeting where members and the board could discuss the issues brought up at the AGM. Angela Macleod agreed with this suggestion. The board welcomed this input.

Closing Remarks

The Board thanked everyone for attending the meeting.

The meeting concluded at 9.45PM