



DRAFT MINUTES OF THE MEETING OF THE STRATHERRICK AND FOYERS COMMUNITY TRUST HELD AT STRATHERRICK PUBLIC HALL, GORTHLECK AT 7.00pm ON WEDNESDAY, 4 OCTOBER 2017

Present Peter Faye, Zoe Iliffe, Frank Ellam, Julie Murphy, Garry Page, Stewart MacPherson, Hugh Nicol

Chair Zoe Iliffe

In Attendance Steven Watson (Project Co-ordinator), Laura Walker-Knowles (Administrator)

Apologies Sharon Ferguson, Ken Sinclair

Declarations of interest

Julie Murphy **declared an interest** in Energy Saving Grant Application by Murphy. Steven Watson **declared an interest** in Student Grant Application by Ruari Tweedlie and Garry Page **declared an interest** in Group Grant Application by Foyers Primary School Parent Council and Non-Constituted Group Grant Application by Jennifer Denoon.

PRESENTATION - CLAIRE MUNRO, DEVELOPMENT MANAGER, HIGHLANDS AND ISLANDS ENTERPRISE

Claire Munro introduced herself and explained to the Board that HIE provide her team's services on behalf of the Scottish Land Fund ("SLF").

The SLF is delivered in partnership with the Big Lottery Fund. It was launched in 2016 and has a budget of £10M per year to which any eligible community can apply. Since its establishment the SLF has supported the purchase of over 3,000 acres of land. Applicant organisations must be community-led and controlled with a defined geographical area.

Claire went through the different funding levels. Pre-acquisition development funding is available up to £30,000 and Stage 2 funding supports purchase and ownership of property. The fund only supports wholly owned assets, no leases.

Rural housing projects are subject to multiple action. Firstly, a need must be established along with demand and support for the project. There is a requirement for consideration of all options to deliver the project, identification of the demand and type in detail, examination of options in depth, scope of the favoured option, looking at suitability of site/asset in terms of access, services and planning. The SLF require that the project is financially viable and there are revenue costs to support any capital works,

conveyancing and other preparatory work, including purchase of land/buildings, construction/conversion and renovation.

Claire ran through a case study of a project where a local trust had aspired to build high quality housing for families. The project was successful at drawing match funding from crowd funding and other funding and this met the high costs of the projects. The project took four years and Claire highlighted that this is the usual time-frame.

Claire directed the Trust to the on-line resource ten steps to community buy out for guidance.

Claire pointed out to the Board that the Trust's existing Articles currently render the Trust ineligible to apply for Stage 2 SLF funding as they state the Board has the right to refuse membership. To enable the Trust to apply for future SLF funding, this Article would need to be deleted.

There then followed a discussion about the Trust's potential interest in acquiring land for a housing project, for example at Wildside. This property is on the open market and a private individual could step in and purchase the land at any time. The Board asked Claire, if a closing date was announced for the ground, would there be any way of accelerating the processes described that would put the Trust in a position of being able to make an offer for the property. The asking price for the property is currently around £200,000 and, for the scale of work required, the Trust would have to apply for a proportion of the cost from the SLF. Claire advised there is no acceleration process but the Trust could register a community interest in land which would, in effect, put a prohibition on the land and allow the Trust a right of pre-emption for eight months. The fact that the land is on the open market already would mean that any registration would have to be treated as a late registration which is a more complex procedure and harder to put a business case together for. Claire explained that such applications are rigid and are regularly rejected for very small, ineffectual reasons and gave an example of rejection.

The Board discussed the situation generally. Noting the point that a neighbouring landowner already has a right of pre-emption and this would stop the process immediately. Claire suggested that the Board should focus on demand for housing and build a robust case on that basis rather than focussing on a certain piece of land. Were there any other sites that could be viable options to deliver the project? The Board advised that investigations demonstrated that development costs of other potential sites may be too great for developers.

It was noted that the Land Fund will only fund up to market value of the acquisition. A valuation would be required and, if successful, the SLF could fund up to 95% of eligible costs. Any application to

the SLF in respect of any land would have to be accompanied by a valuation and a business plan showing the project was viable.

1. INTRODUCTION

The Chair welcomed everyone to the meeting.

2. MINUTES – 6 SEPTEMBER 2017

Hugh Nicol **PROPOSED** and Julie Murphy **SECONDED** and the Minutes of the Board meeting held on 6 September 2017 were thereafter **AGREED** as a correct record and **APPROVED** and signed by the Chair.

MATTERS ARISING

The Chair has drafted a letter to Foyers Fire Crew and this will be forwarded as soon as possible.

Steven has uploaded the Stronelaig Development Plan to the website for Directors' review.

The Chair and Director attended a meeting with Fort Augustus Community Trust relating to Stronelaig and the Chair would update Directors during the Funders Team update.

The matter of the public toilets at Foyers has been put on hold by the Community Council pending further community consultation.

Riverside drawings are up on the Directors' area of the website for review.

After a subsequent discussion by one of the Directors with BCC, the Chair had not written to BCC as it was no longer necessary.

Garry Page left the meeting.

3. GRANT APPLICATIONS

(a) Foyers Primary School Parent Council

Grant applied for: £4,721.26

Purpose of Grant: For contribution to cost of skiing lessons and associated costs, equipment for a new breakfast/nurture club and new after school group, contribution to cost of swimming lessons and associated transport.

As part of the grant assessment Directors had been advised that the intention is that all four local schools (ie. Foyers, Stratherrick,

Action
by

Aldourie and Farr) will be creating after-school clubs with each offering different club activities.

Directors noted the potential attractiveness of Foyers Primary School by their offering a breakfast club and an after school club and hoped that this may increase the intake for the School. The Board noted there has been parents' interest in the idea of a school club.

The Board queried why the Council was not funding this provision. It was noted that pre-school and after-school activities are not a statutory requirement and therefore had no obligation to fund such activities. It was noted however that the Highland Council is spending money on Foyers Primary School by the installation of a new septic tank and a new outbuilding.

The application was **APPROVED** in the sum of **£4,721.26** subject to the Trust receiving evidence of demand/numbers interested in the breakfast/nurture club and after school club before any funds were spent on the equipment. An article in the Stratherrick & Foyers News will also be required for the clubs and the trips.

Fund: Dunmaglass.

(b) Jennifer Denoon

Grant applied for: £660.00

Purpose of Grant: Children's Christmas Party.

The application was **APPROVED** in the sum of **£660** subject to an additional condition that an article is provided for the Stratherrick and Foyers News.

Funds were allocated to this grant from Glendoe.

Garry Page returned to the meeting.

(c) Meg Somerville

Grant applied for: £468

Purpose of Grant: Equipment to run free of charge stretching and relaxation classes at the Stratherrick Public Hall on Tuesday mornings.

The Board noted there was great interest in the class. The Board discussed other classes using the hall for chargeable classes/events in view of the Hall now being free from charge to users.

The application was **APPROVED** in the sum of **£486** subject to the condition that the mats are left in the hall for use by other groups.

Fund: Glendoe.

(d) Student Grant - Russell Bain

Purpose of grant: Purchase of books, computer equipment and travel costs.

Amount applied for: £500

The Board **APPROVED** the Grant in the sum of **£500**.

Fund: Glendoe.

(e) Student Grant - Ruari Tweedlie

Purpose of grant: Costs associated with university study.

Amount applied for: £500

The Board **APPROVED** the Grant in the sum of **£500**.

Fund: Glendoe.

Following receipt of the following two Student Grant applications, the Board discussed the Trust's Student Grant guidelines and eligibility rules for application when attending a higher/further education establishment and the qualification-level of courses. The current Trust guidelines state that the study must be beyond the secondary school curriculum however the guidelines also state that study is at a higher/further educational establishment. The Board noted the guidelines and eligibility criteria are at cross-purposes. The Board discussed there may be many reasons why an applicant for a student grant did not take the higher exam/s at school. The Board discussed the risks associated with awarding the grants.

Grants team to review eligibility criteria.

Grants team.

(f) Student Grant – Ben MacDonald

Purpose of grant: Study materials and travel expenses.

Amount applied for: £500

The Board **APPROVED** the Grant in the sum of **£500**.

Fund: Glendoe

(g) Student grant – Phoebe Drummond

Purpose of grant: Transport and study resources.

Amount applied for: £500

The Board **APPROVED** the Grant in the sum of **£500**.

Fund: Glendoe

(h) Student grant – Cameron Simpson

Purpose of grant: Travelling expenses to attend university.

Amount applied for: £500

The Board **APPROVED** the Grant in the sum of **£500**.

Fund: Glendoe.

(i) Student grant – Angus MacGruer

Purpose of grant: Books and travel expenses.

Amount applied for: £500

The Board **APPROVED** the Grant in the sum of **£500** but noted that the applicant had failed to submit a completion report for last year's grant and that therefore no offer could be issue to the applicant until such time as the completion report was received.

Fund: Glendoe.

Julie Murphy left the meeting.

(j) Energy saving grant – Gordon & Julie Murphy

Amount applied for: £500

Purpose of grant: Towards the cost of replacement of six single-glazed windows with double-glazing.

The Board approved the grant in the sum of **£500**.

Fund: Glendoe

(i) Sporting grant – Alex Sutherland

Amount applied for: £216

Purpose of grant: Travel and accommodation expenses to represent Scotland in the Home Countries Masters Cross Country race in Ireland.

The Board **APPROVED** the grant in the sum of **£216**. It was also agreed that the Trust will provide an appropriate badge with Trust logo to advertise the Trust's funding/support.

Fund: Glendoe.

Action: Arrange for production of Trust badge.

SW

4. FINANCE

- (a) The Finance Director gave an update to the finance report. Bank interest for the month was £1,242.00. This is higher than the usual monthly figures as one of the Trust's bank accounts pays annual interest in September. At the end of September the Trust bank balance totalled £629,990.28.

Invoices

- (i) Book-keeping Invoice for September 2017 £194.00
- (ii) Administrator Expenses for September 2017 £205.31
- (iii) Administrator Timesheet for September 2017 2 hours overtime.
- (iv) Project Co-ordinator Expenses for July 2017 £208.90
- (v) Chair's Expenses £80.28
- (vi) Deposit for noticeboards £5,412
- (vii) Ord Storage Services £10.08, £9.07 and £1.87

The Board **APPROVED** the payment of the invoices (i) to (vii) above.

Annual Accounts

The Finance Director confirmed that the Annual Accounts had now been finalised by A9. There were no further comments or queries. Peter Faye **PROPOSED** and Stewart MacPherson **SECONDED** and the Board **VERIFIED AND APPROVED** the Annual Accounts.

The Board noted the Dunmaglass payment had not yet been received.

Clarendon Financial Planning

Further to previous discussions and based on advice received from Clarendon Financial Planning, the Trust's Statement of Investment Principles required amendment. It was noted however in the advice in relation to amending the principles that there was an error in relation to the percentage on the higher risk investment which was in fact 20% not 25%.

Frank Ellam **PROPOSED** and Garry Page **SECONDED** the variation to the Trust's Statement of Investment Principles. The Board **AGREED** and signed the updated Statement.

Knockie Trust

A discussion took place on a proposal from the Knockie Trust about the potential for Knockie Trust and Stratherrick and Foyers Community Trust working closer together or the Knockie Trust transferring their assets to the Trust.

However, the Knockie Trust trustees had raised concerns about the perceived length of the process of SFCT grants process. The Board discussed the email exchange with Knockie Trust and noted their concerns about the Trust's grant cycle length and handing over control to Stratherrick.

The Board agreed that the Trust would be happy to take over the fund, however, if the trustees' concerns about control are so high, they can of course retain the funds themselves. The Trust would happily work with the Knockie Trust and help them to set up a hardship grant system. The Finance Director will revert to the Knockie Trust.

Action: Respond to Knockie Trust

FE

Budget Cashflow

The Board noted the cash flow and balance sheet with no queries.

Scottish Canal

It was noted that the Highland Council funds for the Bay project have not yet been received from the Scottish Canals. The Project Co-ordinator has chased Charles Stephens and as Scottish Canals had apparently asked for further comfort prior to transferring the funds to a non-Highland Council bank account.

VAT

The Board queried the Trust's VAT status in relation to registration and VAT recovery bearing in mind the future VAT liability arising from development of the Bay project and the Riverside field project. The Finance Director confirmed that companies only register for VAT if they are trading with a certain turnover. The Trust is not however trading. It was noted therefore that VAT would be incurred on any development projects which would not be recoverable.

5. MEMBERSHIP APPLICATIONS

(a) Gill Gray

- (b) Samuel Mortimore (Junior)
- (c) Caroline Mortimore
- (d) David Mortimore

The Board approved the Membership applications (a) – (d) above.

6. AGM

The Chair advised that Stewart MacPherson, herself and Peter Faye were the longest standing elected member directors and therefore, in accordance with the Trust's Articles, if there were no other directors standing down, they would be the directors who would have to stand down at the AGM. Directors are eligible to re-stand and nomination forms need to be in by 15 November 2017. As there is an existing member director vacancy there will therefore be four vacancies in total.

It was noted that the Community Council had confirmed that there has been an expression of interest in the Liaison Director vacancy from Jim from Compass. The Community Council have advised the Trust they will be co-opting him on to the Community Council in October. It had been agreed however that there was little point in them nominating Jim to the Trust Liaison Director position just for November when Jim would have to stand down at the AGM and then be re-nominated. The Community Council will therefore nominate Jim as their preferred Liaison Director for the Trust's AGM.

The Board discussed the requirement to change the Articles of Association in relation to membership following Claire Munro's earlier presentation. Directors discussion what situations or extreme circumstances that would require removal of a member and the procedure that the Trust would need to follow. It was noted that there is already provision in the Articles for calling an Extraordinary General Meeting if the Board felt the need for a member to be removed.

The Board **APPROVED** the proposal to delete Article 22 from the Trust's Articles.

Action: Draft Resolution and amendments to Articles remembering to check for cross referencing. ZI

AGM Quote

The Board noted the quotation from Voluntary Action Locharaber relating to printing/distributing AGM papers and **AGREED** the quote.

It was noted that the AGM paperwork will need to be sent out in mid-October so the documents will need to be with VAL week commencing 16 October at the latest.

Deadline for Member Director nominations 15 November 2017.

Action: Documents to VAL and mailout.

LWK

7. UNITS AND LAND AT LOWER FOYERS

The Board discussed the proposal to submit an offer to HIE for the remainder of HIE's lease (running to March 2023). The Board were reminded of the negotiations earlier in the year however the figures discussed with HIE at that time had been based on the property being in a good and tenable condition. The Board were advised of the current situation between HIE and the Care & Learning Alliance (CALA) who had previously occupied Unit 1 but who had left the property in an uninhabitable condition and that HIE had issued them with a schedule of dilapidations. It was also noted that CALA have not yet undertaken any of the required works (which included removing items and fixtures and fittings from the building). It was noted that HIE's schedule of dilapidations, including professional fees, had estimated the cost of all the required work to be around £10,500. A review of HIE's schedule had been undertaken and HIE had been asked whether they would agree to a reduction of the previous price and the Trust will then deal with the dilapidations. Unfortunately, HIE advised that they were not willing to entertain the suggested reduction, however, their letter inviting an offer encouraged the Trust to demonstrate community benefit and best consideration and best value. It was also noted however that HIE had now set a closing date of 12noon on 11 October 2017 for submission of the offer.

It was noted that "best consideration" and "best value" are not necessarily the same. HIE's letter invites the Trust to make comment along those lines. The Trust has drafted a letter in this regard to go with the offer.

The Board therefore discussed the decisions required surrounding the offer. The first was whether the Trust did in fact want to submit an offer. If it did should it be a suspensive offer offering a price that is agreed on the condition that CALA undertakes all the dilapidations works (including redecoration) or conditional upon CALA undertaking only those works which were of a practical and physical nature but which do not include re-decoration.

Directors agreed that they felt that the dilapidations schedule had been priced using extremely high costings. It was noted that CALA had received a quotation today for some of the work but unfortunately a decision cannot be made on the schedule as CALA's CEO is currently in the USA.

It was noted that we would need to make an offer by 12 noon Wednesday, 11 October. It is believed however that there is no other party interested in the property.

It was noted that a concern had been expressed that the Lease may have given SSE (the landowner and HIE's landlord) the right to demand that the units be demolished at the end of the Lease term and that, if the Trust had acquired HIE's interest, this obligation would fall on the Trust and could have been a costly exercise. It was noted however that the Trust had received correspondence from SSE confirming that the Lease held no such obligation and that SSE would not be able to demand the units' demolition.

The Board therefore discussed whether they did indeed want to submit an offer. It was noted of course that this had all come about following a request for assistance from BCC and the need to support them and the community. The Board noted BCC's need to make the unit and extended services a full success over next five years. However, the Board also discussed the potential for an income in the event that BCC relocated or their services came to an end.

The Board also discussed time frames if an offer was submitted.

The Board **AGREED** to submit an offer based on the condition of the property with the offer being suspensive on CALA undertaking certain works

8. BROADBAND TEAM UPDATE

It was noted that no update report had been received from the Broadband Team.

The Board did note however that CFWN had now provided a form of agreement between themselves and the Trust. While it was noted that the agreement was very basic, it did clearly state that the Trust would continue to own the equipment with CFWN maintaining it and operating the service on behalf of the Trust.

The Board **AGREED** to enter into the agreement with CFWN.

9. QUARTERLY GRANT UPDATE

The Board noted the quarterly grant data spreadsheet.

10. COMMUNICATIONS TEAM UPDATE

It was noted that a plaque had been purchased for erection at the Hall. The Board confirmed they were very happy with its design and quality.

The Board also noted the Communications Team will be meeting shortly to organise the Christmas issue of the Stratherrick & Foyers News.

Noticeboards

The Project Co-ordinator updated the Board that the boards had been ordered and that the canopy and stanchions will remain outside the Hall but the glass cabinet replaced.

11. FUNDERS TEAM UPDATE

The Chair advised that she had met with SSE to discuss, amongst other things, the Trust's 6 monthly funding reports. She noted that SSE had been very interested in the Trust's governance practices and were happy to note continuing good governance on our part. SSE had also asked the Trust to clarify its conditions for Energy Saving Grants, checking they were used only for energy saving purposes. SSE had also expressed an interest in the Trust policies and the need for regular checking of our Articles and the need to continue to remain fit for purpose. It had also been confirmed that only 10% of the SSE funds held by the Trust could be used for individual grants.

The Chair advised that she and SSE had also discussed the Stronelairg Windfarm community benefit fund. It was noted that SFCT and Fort Augustus Community Company had recently met with SSE in relation to Stronelairg. At the previous Trust Board Meeting, Directors and the Chair were concerned that SSE may consider retaining control of the Stronelairg funds and creating a panel rather than them being placed in the control of the Trust. SSE had now given the impression that that was not the intention, although confirmation is still required, but that it is likely that SSE will be much more involved in how the community funds are spent. Unfortunately, there is still no timetable for payment.

The Chair advised that the Funders Team and the Vice Chair had recently met with Directors from Fort Augustus Community Company and it has been agreed that there would be a joint approach and presentation to SSE. A joint meeting with the both Trusts and both Community Councils is now proposed so that all the relevant parties show a united front to SSE, to show unity and working together so that we will not be in the position that arose during Glendoe negotiations.

12. PROJECT CO-ORDINATOR UPDATE

The Project Co-ordinator ran through his report and gave an update on access to the Riverside field and the need for a section 56 application for the access.

The Communications Team is looking for photos of people from the community for the next edition of the Stratherrick & Foyers News and the website.

It was noted that the Hall Committee had advised that there has been a higher rate of bookings in October for use of the Hall and this is due to the grant eliminating the need for users to pay a fee.

Finally, it was noted that proposed updated grant application forms would be circulated to Directors for final comments.

13. AOCB

- (a) The Chair advised that, at the recent Community Council meeting, the Council's Chair had advised that she had been invited to the Guides, Brownies and Rainbows as the groups had been undertaking an exercise in relation to facilities they would like to see in the community. The Chair asked the Board if they would agree to the Groups attending a Board meeting and giving a presentation. The Board agreed that they would very much like the groups to attend.

ACTION: Invite group to give presentation.

ZI

(b) Hardship Grant

The Chair advised the Board that a Hardship Grant Application had been received and, in accordance with the confidential process under which these were dealt with, had been considered and approved by the Chair and Vice Chair.

The Chair explained what a hardship grant was for the benefit of the more recently appointed Directors.

The Hardship Grant was approved in the sum of **£339.99**.

Fund: Glendoe.

(c) Grants over £20,000

The Chair reminded the Board that the Trust requires the consent of SSE if they wish to spend or award a grant of more than £20,000. The Board noted that the question of the process for legacy grants had come about because BCC would shortly like to submit a grant application for more than £20,000 shortly.

From the Chair's meeting with SSE it is apparent that SSE are tightening their own governance practices and, as a result of this, they propose to be more involved in decisions involving awards higher than £20,000. The Vice Chair had recently provided a copy of the application forms used by Fort Augustus in this situation,

which had been agreed with SSE. The Chair has discussed the process with SSE today and SSE had indicated that they were happy for the Trust to use those forms and had agreed that grants could be dealt with internally by the Trust if 3 Directors undertook the assessment, however SSE would require sight of the draft assessment report prior to submission to the Board to enable them to make comment/ask questions first.

The Board agreed that the Chair would consider the grant forms and submit to SSE for approval.

Action: Create legacy grant (ie. grants over £20,000) proposal form and application form and submit to SSE for approval.

Grants Team

(d) Christmas Ceilidh

The Board noted that a band that had recently performed at the Village Hall had said they would like to return near Christmas for a Ceilidh. They suggested dates of 22 or 23 December. If the Ceilidh could be arranged for the community the Board considered providing the funding for it. The band is called The Cask Strength Ceilidh Band. It was noted that the Board had discussed the possibility of a Christmas/winter event at a recent Board meeting. It was AGREED that the Trust could provide funding for a community ceilidh.

(e) Foyers Fire Station

The Finance Director was asked if the Foyers Fire Crew's grant for the fireworks had been paid yet following the grant awarded last month. The Finance Director confirmed it had been paid some time ago.

The Board also noted that a Public Entertainment Licence now needs to be obtained by the Foyers Fire Crew at a cost of £200 and so it is likely that future grant applications will be higher than previous.

(f) Grants Team – Medical Adaptations Grant

As had been previously discussed, the Chair had circulated options relating to the request for assistance in respect of medical adaptations.

As had been agreed, the Chair had circulated possible loan options and the Grants Team had provided the Board with proposals for a new grants system and options paper.

The Board discussed both options

It had been suggested by the Grants Team that the Trust make a fund of £50,000 available for a new type of grant but that any grant awarded should be capped at £30,000. It was noted that discussions had taken place as to whether a condition should be imposed that the applicant had to have been residing in the area for a certain period of time, however it transpired that this was not legal. A condition had however been suggested giving priority to those who had resided in the area for two years or more. The Grants Team had circulated to the Board a draft application form for this potential new type of grant. If an application were to be agreed by the Board then, as part of the assessment process, a discussion would be required on what form the grant would take, ie. would it be a loan or a grant with clawback, if and when a property sold.

It was agreed that the first decision for the Board was whether the Trust wanted to create the proposed new grant scheme. Any funds utilised for such a grant could only come from the Corriegarth Fund as this fund is not as restrictive as the other funds administered by the Trust. The Board noted that caution must be exercised and the Board discussed the situation it would face if the loan remained outstanding until a property had been sold or if an applicant had passed away. The Board discussed that, if this grant system were agreed, the Trust must be ready to deal with difficult situations and that it would be a complex and detailed assessment. It would be the Trust's responsibility to make this system fit for purpose and ready to deal with all eventualities. The Board therefore discussed the options (a) the Trust sets up a new grant scheme so it is available and also show the Trust is prepared to offer (b) a loan.

In regard to the request for assistance already made to the Board, the Board discussed whether, from the Trust's point of view, a loan system was preferable. In that instance, the Trust could insist that the applicant is resident in the area, but could not differentiate between someone resident for one week and ten years.

The Finance Director advised however that the proposed grant scheme could be flexible to state that the applicant would have to agree that the Trust can assess whether to offer a grant or a loan.

The availability of the Medical Distress Grant would be up to £50,000 per year for two years.

The Board **PROPOSED** and **AGREED** to adopt the "Residents in Medical Distress" Grants Scheme, subject to some slight amendments to the application form including reference to the offer being possibly either a loan or a grant.

Action: New grant application form to be amended and new grant scheme to be advertised.

*Grants
Team*

(g) Diary Date Reminders

Luvvies performance – 20 & 21 October 2017
Remembrance Sunday - 12 November 2017

14. DATE OF NEXT MEETING

Wednesday, 1 November 2017 Stratherrick Community Hall,
Gorthleck.

The Meeting closed at 11.10 p.m.

Signed by Chair (ZI) _____

Date _____