

NOTES of the OPEN MEETING held in STRATHERRICK HALL, GORTHLECK on Wednesday 14th January 2014

Present Graeme Ambrose, Ian Bateman, Martin Donnelly, Sharon Ferguson
Lyn Forbes, Liam McNally
Chair Councillor Margaret Davidson
In Attendance Fiona Ambrose (Secretary)
Rory Dutton, Development Trust's Association Scotland (DTAS)

1. Consideration of the proposed Articles of Association of the Community Trust.

Councillor Davidson welcomed everyone to the meeting and provided some background information on the establishment of the Articles sub group and to the work which it had carried out in four meetings over the last 4 months. She also thanked the members of the Articles Sub Group and Rory Dutton of DTAS all for their time and effort to get the articles to this stage. She advised that the proposed articles would be used as a tool for the Trust to take on development projects as well as simply disburse monies.

All the members of the Articles sub group introduced themselves and commented briefly on the process. Liam McNally and Sharon Ferguson advised that there were still two key issues which had to be considered further; namely the number of Community Council members on the Trust and the voting procedure at the AGM.

Rory Dutton stated that the model articles which the sub group had used were basic articles which could be developed further but which had proven to work and which were seen to be democratic.

Councillor Davidson invited members of the community who were present to ask any questions on the proposed articles.

Frank Ellam:

Current articles have an upper limit of 9 years for Directors term of office. Strathnairn has an upper limit of 5. Proposed articles have no upper limit

Rory Dutton

There are both advantages and disadvantages of a fixed limit. Two x 3 year terms then take a year out? Have to bear in mind that Community is small and only a limited number of people willing and able to take on this type of role.

Morag Cameron

Would like to see a set term and then Directors to take a year out.

Ian Brown

Articles 9 & 11 – reference to payment of grant to members and directors

Martin Donnelly

Proposed articles allow this

Zoe Illife

Article 20 – query as to why employees are not eligible for membership

Rory Dutton

Separates governance from staff role. Employee has no power or voting rights

Lorraine Fraser

Was the Trust proposing to help businesses?

Lyn Forbes

No – the Trust has not awarded any monies or proposes to award monies to businesses unless they were not for profit.

Ian Brown

Article 16 – ordinary membership – sought clarification as to whether sub articles a, b and c were all required. – Yes

Frank Ellam

3 classes of members (ordinary, associate and junior) and 2 types of directors (member director and co-opted director. Associate members do not need to live in the area.

Rory Dutton

Any associate member appointed as a Director would have voting rights. Co-opted directors also have voting rights – taken on as part of the team/Board

Margaret Davidson

would co-optees have to live in the area?

Rory Dutton

No

Catriona Fraser

Article 12 – liability of members. Clarification on liability of £1

Rory Dutton

Members and directors liability is just £1. But Directors have to fulfil roles and responsibilities of a director. Directors have to take the role seriously and carry it out to the best of their ability. Liable only if carry out fraud or neglectful. Liability covers projects going wrong where monies might be lost or through simple bad luck.

Sally McGuire

What are the responsibilities of members and what are they liable for?

Rory Dutton

Even if a Company goes under, members are only liable to pay £1

Ian Brown

All members of the community (on the voters role) should automatically be a member of the Trust

Rory Dutton

Under the Companies Act 2006, it is a requirement that members of the community willingly sign up to be a member of a company / Trust

Zoe Illife

Junior members – no reference that there is a requirement for them to be resident in the area.

Rory Dutton

Junior members are not on the electoral role so do not have a vote. Could clarify article to state that could, but need not be resident.

John Townsend

Will the trust actively seek community benefit?

Is it the intention to become a charity?

Martin Donnelly

No plan at moment for Trust to become a charity.

Sharon Ferguson

Objects within proposed articles are approved by OSCR

Lyn Forbes

Possibly become a charity in the future if there was more income to the Trust and therefore liable for more corporation tax. Would be a decision of the members to become a charity

Rory Dutton

Certain constraints in being a charity. Better off not being a charity. Sound approach being taken at the moment

John Townsend

Article 25 – superfluous wording - for the avoidance of doubt

Ian Brown

Articles 57 and 60 – Co-opted director – non member. This would mean that any Community councillor nominated as a co-opted director could not be a member.

Member director – means that a Director has to be a member of the Trust

Sally McGuire

Why does someone have to be a member to be a Director?

Rory Dutton

Under Company Law – the company is based on the membership. Want people who are committed enough to be a member. It would be strange if someone wanted to run an organisation and not be a member

Margaret Davidson

Need to carry out a further membership recruitment drive. Need to have the ability to allow proxy votes for older people who would not attend meetings.

Sally McGuire

At the moment the CC is a member. Only one co-opted member from the CC in the proposed articles

Rory Dutton

Co-opted members are brought in for their expertise

Ian Brown

In current articles the CC can nominate 3 directors (as sole member) Why only 1 in proposed articles

Rory Dutton

The Board represents the Company. 9 Elected directors would provide very good representation across the community. They would keep the wider membership and the community informed

Martin Donnelly

Could have the case where, if there were 3 CC directors and other co-opted directors, the majority of directors were not elected by the membership.

Sally McGuire

Does a CC nominated Director have to be committed to the company? – Yes

Alex Sutherland

Wrong to presume that the CC has a mandate from the Community if CC elections are not held or if CC members are co-opted onto the CC.

Ed Ley Wilson

2 co-opted directors is a good idea. To fulfil the needs of the company the directors need the freedom to decide what is best for the company. The three co-opted places cannot be taken up by 3 Community Councillors. Need to keep co-opted members.

Katy Ellam

Are the current directors immune from election?

Martin D

Perhaps 3 current directors should remain on Trust to help with the continuity of the Trust and with training and then stand down at the next AGM

Margaret Davidson

Up to the current board to decide whether there is a need for continuity or whether they should all stand down.

Rory Dutton

Need to adopt the new articles before Directors are elected. Decide on whether continuity is irrelevant or whether take cautious approach and is crucial on a rolling programme.

Morag Cameron

Want to see a democratic trust

Katy Ellam

Why is there no paperwork as referred to in the Boleskine Bulletin

Rory Dutton

Within the proposed articles Directors can be nominated and elected on the night of the

AGM. Within the Company Act 2006 there is the means for individuals to have a proxy vote. Could vote on the articles and the election of directors. Calling papers will be issued to outline what will happen.

Margaret Davidson

Suggested that either Charles Stephen or another ward manager could help with the AGM and voting processes.

Ed Ley Wilson

The Trust is on a journey. There will be difficulties and things will go array but it will not collapse. Regards voting and Directors – how free will they be to run the company and to make decisions?

Rory Dutton

Directors are elected to run the company but always working to the agenda and the community's wishes and any restrictions from e.g. SSE. The Directors have to be allowed to get on with the job.

Elsbeth Hall

If you give someone your proxy – you have to trust your proxy

Ian Brown

Article 52?

Rory Dutton

The articles are a living document and will be tuned as the trust grows and develops

Ian Brown

Article 22 – why refuse membership?

Rory Dutton

main purpose of any refusal is if the directors believed the main purpose of the application was so that the individual would be disruptive. The article is there as a safeguard.

Katy Ellam

Members can vote. Do directors have a vote?

Lyn Forbes

Only member directors have a vote

The open meeting closed at 9.45 p.m.