

Lochbroom Community Renewables Ltd

Minutes of the meeting held on 1st May 2018 at the Ceilidh Place

Next Meeting: Wednesday 13th June 2018, 7.00 pm, venue to be confirmed

Present: Paul Copestake, Kathleen Donald, Tim Gauntlett (Chair), Rob Gibson, Rebekah Lwin (minutes), David Maxwell, Sandy Osborne, Alison Parsons.

Item	AGENDA item	Discussion	Actions	
1	Apologies	Amanda Barry-Hirst, Sarah Donald		
2	Approval of minutes of previous Board Meeting	The draft minutes of the previous meeting were approved.	Upload to Dropbox	RL
		Proposed: Dave Maxwell Seconded: Rob Gibson	Post on website	AP
3	Matters arising/actions update from minutes of the previous meeting not elsewhere on Agenda	Charitable status (CS): Kathleen has investigated this further and charitable status is not an option. She will speak with Harlaw and Sunart regarding how they are managing their tax payments; given they are a year ahead they may have some guidance for us. Rebekah suggested discussing the possibility of a tax exemption with HMRC given that LCR is a not-for-profit organisation and all our surplus is donated for community benefit, Kathleen agreed to take this forward with HMRC. Rob will discuss CS with the government body that deals with Community Empowerment.		KD RG
		Retrospective planning: Still awaiting response from Forestry Commission		SO
		FES site visit expenses: A letter was sent to Malcolm Crosby and we have agreed to pay expenses but have asked for a reduction in the amount. Malcolm Crosby has responded positively and we are waiting to hear the final amount and for a detailed breakdown of the expenses. In the meantime Malcolm Crosby has assured us that no further charges will be levied.		TG/AL
		Final lease drawing: The final lease drawing needs to be signed off. The absence of this is no cause for concern but it needs completing. Tim will write to Malcolm Crosby regarding this and Rob will arrange a visit with him in Edinburgh.		TG/RL
		UCT purchase of FES land: Tim will continue to raise the matter at UCT meetings and report back at LCR meetings as appropriate. Andy suggested that if UCT were not going to purchase this then LCR should consider purchase of the land of the hydro site.		TG
		Planning Day: carried forward to next meeting		TG

4	Treasurer's report	AK	<p>Andy provided the Treasurer's report in advance of the meeting and detailed the bank balance, outstanding payments and projected income/expenditure for the next month. Other matters;</p> <ul style="list-style-type: none"> • the tax return for last year has been submitted and has been accepted by HMRC • the switch of the current account to the Bank of Scotland should have happened today but this failed and has been rescheduled by the banks. Meanwhile the bulk of the funds have been transferred by cheque to the new BoS account. • FiT payment is due and will go into the BoS account • online banking is available with BoS for multiple signatories and Andy has provided card machine and pin numbers for all signatories. • Triodos account set up progressing. This is a slow process because they have required notarised copies of all LCR accounts and rules. We are grateful to Anderson, Shaw and Gilbert for providing these notary services free of charge. • approval was given for payment of an outstanding invoice for tree services • a cheque has been return by previous our Solicitors who failed to register the FCS lease, the Board agreed that Anderson, Shaw and Gilbert should be asked to do this work. • Andy requested board approval to accept the accountant's fee with respect to their estimate of LCR Capital Allowances. After some discussion re the capital allowances and assurance that the fees would levied as a percentage of the tax saving, this was approved by the Board. 		
<p>Insurance: LCR insurance has been renewed and all insurance is now under a single policy with a common renewal date in November 2018.</p>			nfa until renewal due		
<p>We are legally obliged to display our employers liability insurance certificate in our main place of business. The Board agreed this would be in the turbine house.</p>			Paul will laminate the certificate and display	PC	
5	Budget update	DM	<p>Operational budget: Dave talked the Board through the operational budget planning and budget forecast. Dave has been maintaining a spreadsheet for this but it is intended that the Xero application will do this in the future. FiT payment is due in June and so outside our financial year but can be accrued. Good energy Income will come in at end of May.</p> <p>The overall forecast is positive despite a dry last few months and there will be some money to donate to the community benefit fund as well to as pay interest to shareholders and hold reserves for maintenance. The tax situation is uncertain, but we are still hopeful this will be zero.</p> <p>Andy re-emphasised that capital funds will be kept in a separate bank account from income and that shareholders and the Community Benefit Fund (CBF) can only receive funds from income.</p>	Dave will continue to oversee the operational budget	DM

			<p>Board decisions need to be made on:</p> <p>Rate of interest to be paid to shareholders (the rate needs to be decided and proposed for AGM). Andy proposed that we recommend payment 4% interest to shareholders at the next AGM. This was approved by the Board.</p> <p>Amount to be held in reserve for maintenance / operating contingency and petty cash</p> <p>Amount to be donated to the Community Benefit Fund (needs decision, at next meeting when we know exactly what the income is). It was noted that payments to the CBF do not necessarily have to only be made once a year at the financial year end, payment could be made twice a year or quarterly; a decision needs to be made this and discussed with UCT/CBF administrator.</p>		
6	Finance admin role	DM / AK	<p>Dave and Andy proposed the need for a financial administrator and that this should be a paid contract for a specified (or maximum) number of hours per month. The role would be administrative, helping with payments to shareholders and the CBF, overseeing the books, and reconciling and categorising income and expenditure in Xero.</p> <p>The Board approved.</p>	Finance group will draw up a job description and anticipated hours to present at next meeting	TG/DM, AK
7	Construction and site report		<p>FES requirements: Stephen Fraser /FES has sent a list for LCR address on the site. This includes clay grouting of culverts, re-profiling of a small stream, grass seeding in a bare area (Darren has some FCS approved seed).</p>	Paul/Sandy will address over the next month and continue to monitor.	PC / S
			<p>Snagging: The leak at the intake is a continuing problem. Sandy will investigate the plate now it is dry and try to resolve with Darren (Bobby Ross), Hugh Campbell (Campbell of Doune) and Stuart Hamilton (Locogen).</p>	Sandy and Paul arrange a meeting with Darren, Stuart and Hugh	SO/PC
			<p>Turbine remote access: Paul continues to investigate the possibility of remote access with Gilkes as it is still the case that every time the water gets too low the system trips and needs to be manually re-started; Paul and Sandy both get a text when this happens but it is a problem if Paul or Sandy not here to restart. Still not really sure what the problem is – maybe a simple fix by adjusting the thresholds.</p>	Paul discussing with Gilkes and trying to resolve	PC
8	Operating report and update	PC	<p>Generation: Paul provided a monthly and monthly accumulative generation report. We are generating ok overall although February and March have been lower than average due to the snow and type of rain that</p>	Paul will prepare 6 month report at end May	PC

			has fallen; need a steady gentle fall for it to be useful. Generating as much as we can with the weather we have had.		
			Power purchase agreement: Rob reported back from a conversation with Stuart Hamilton (Locogen) in March who advised it was too shorter time to the end of the financial year to arrange alternative companies to Good Energy. Rob consulted with Dave and Tim advising of this and suggested continuing with Good Energy at the moment and highlighting a date for consideration of a possible change of contract earlier in the next financial year. Meanwhile we should investigate the fluctuating PPA prices over the coming months with a view to LCR arranging a power purchase agreement directly rather than through Stuart Hamilton.	Rob will investigate different PPA prices and report back	RG
			Sandy raised again the possibility for power agreements with local consumers. We can get a better rate as will consumers and there are grants available to investigate this.	Stuart to send details to Sandy and he and Rob to liaise	SO/RG
9	Publicity and Comms		Monthly update summary is on Facebook page and New Broom notice board. Twitter pages and UN update still to be completed.	Tim writing article for UN	TG
			LCR support for Coigach turbine was noted as agreed at the last meeting		
10	Loch a'Bhraion update		Loch a'Bhraion project group (Hugh Wallace) want us to sign a non-disclosure agreement before they will explain any of the financial details of the scheme and the Board agreed that what LCR is being asked to sign was unacceptable and lacked the transparency that we would want in LCR's relationship with the community. Paul emphasised that we should not commit until we have the community reassurance that LCR should become involved. Rebekah suggested liaising with Topher Dawson (Community Council Chair) as this project has been discussed at a CC meeting, if community through the Community Council / a CC led public consultation registers approval of the project then that might endorse our involvement or not. The Board agreed that Dave would discuss the non-disclosure agreement further and express LCR's discomfort with the request as it stands and LCR's commitment to be being open and transparent with the community. In particular we would seek revision of the liability clause, reduction of the timescales, and any agreement to be with named individuals rather than LCR as an organisation.	Paul will discuss the possibility with Topher Dawson of the Community Council leading a consultation to obtain public opinion Dave to speak with Hugh Wallace regarding the NDA	PC DM

11	AOB	AK	<p>Thanks: We should express appropriate thanks to Anderson, Shaw and Gilbert Solicitors for their pro bono notary work.</p>	Place note of thanks in Ullapool News and on Facebook page	TG / AB-H
			<p>Community Benefit Fund: The Board needs to decide who from the LCR Board will sit on the CBF application group</p>		
			<p>GDPR: LCR has a statutory responsibility (before May 25th 2018) to inform shareholders about the new Data Protection regulations and to remind shareholders of what type of personal data we hold and for what purposes and to make clear our data protection processes. Andy proposed a notice on the website. It is not clear if our organisation needs to contact all shareholders/members to provide them with the option to request removal of their data. As we hold shareholders money that will need to be paid back, removal of the personal data we hold would be inappropriate as we would not be able to fulfil that duty. We will need a public policy about the processes we will adopt regarding personal data once all the shares for any individual have been paid back.</p>	<p>Dave to explore further whether shareholders need to be contacted individually now or if we can do this with the first payout.</p> <p>A GDPR notice to be prepared for the website</p>	<p>DM</p> <p>?</p>
12	Date/time of next meeting	<p>Wednesday 13th June 2018 (apologies: Rebekah)</p> <p>Tuesday 24th July 2018</p> <p>7.00 pm meeting start, venue to be confirmed</p>			