



**Minutes of the Annual General Meeting of Lochbroom Community Renewables (LCR) held on Saturday 30 October 2021 at 16:00 hours via Zoom teleconference.
(Note: The AGM year refers to the period 31st May 2020 to 31st May 2021).**

Attendees: 33 shareholder members

The following LCR Directors and additional volunteer Board members were in attendance: Rob Gibson (Chair), Seori Burnett (for Lochbroom Community Council), Alex Loftus, Paul Copestake (Hydrologist, Environmental Clerk of Works), Andy Kaye, Kathleen Donald, Sarah Donald (di Rollo), Robert Mackenzie (Treasurer), David Maxwell (Company Secretary), Sandy Osborne, Alison Parsons (Technical Support), Edel Walsh (Minutes)

Apologies: 5 members sent their apologies by email and the Chair declared the meeting quorate

1. Welcome, Chair's Report and Update

Rob Gibson welcomed all to the meeting, acknowledging the necessity to hold it virtually and expressing his thanks to board and volunteers for the considerable work they've undertaken throughout the period.

This period has been marked by some uneven progress which included mixed hydro generation and a number of complex moves to purchase land. Regular Zoom meetings were held; more recently they took a hybrid form and it's envisaged that this arrangement will continue.

On the land purchase, a number of consultees have been engaged in the pre-purchase stage and include UCT who paused their interest at the beginning of the year, visits from Ronnie MacRae, Chief Executive, and Morven Taylor, both of The Communities Housing Trust, Jamie MacIntyre of the Woodland Crofting Trust and John MacDonald of Community Assets who provided financial assistance for the completed drone footage. A new set of governance rules have been drawn up by Co-operativesUK and approved by Forest and Land Scotland.

In his introduction, the Chair drew particular attention to the lack of affordable housing in the area; in a recently completed UCT survey, 78% of respondents indicated that it was of primary concern. The information leaflet produced by LCR and subsequent local advertising has resulted in thousands of Facebook hits, approximately 60 emails and a considerable number of visitors to the site itself.

2. Approval of the Minutes of the AGM held on 24 October 2020

Proposed: Dave Maxwell
Seconded: Sandy Osborne

3. Generation Report

Paul Copestake reported on the flow and generation data from the BroomPower hydro project. This is the fourth report since commencement of operations in 2017. A copy of the Generation Analysis report can be viewed on the BroomPower website.

In summary:

LCR is fortunately able to use the local SEPA rainfall records which date back 31 years and provide excellent context for analysing performance. Overall for the period there's a good co-relation between the long term average and actual.

- Rainfall: For the period, it was slightly on the drier side, ranking 17th out of a record of 32. June was the second wettest recorded over 32 years. Conversely August (a relatively damp month normally) had only one notable storm event in 2020. In the first half of February there was considerable snow, the thaw came mid to end February resulting in near constant generation. This enhanced existing rain and river flow. By mid-April there was very little rainfall but due to the melting snow pack, the generation was outstanding.
- Overall Performance: The project has delivered 86% of its long-term target for the period, its second best year since 2017.
Total Generated kWh – 346,693kWh
Annual Target – 405,000kWh
Annual Income - £82,356
Actual as % target – 86%
- Projecting Forward: October 2021 appears to be compensating for a dry summer. Taking climate change into account, predictions are for winters to get wetter, particularly on the west coast and summers are expected to be drier with a likelihood of stormier events.

4. Treasurer's Report

The 2021 end of year accounts and a full transcript of the Treasurer's report can be found in Appendix 1.

Andy Kaye delivered the draft accounts in his capacity as former treasurer and formally welcomed new treasurer Robert Mackenzie. A full financial report is posted on the website.

Operating income at £79k is lower than £90k for the previous year due primarily to below average rainfall and low prices for electricity. Turnover was augmented by membership donations of £9k. Outgoings of £50k are itemised in detail on page 12 and include depreciation of £21k, insurance premium of £6.4k, Community Benefit Fund (£5k), Rent (circa £3K), accounting fees and related costs (£2k), UCT admin charge (£900) and a one off disappointing legal fee of £9,051 from former solicitors which LCR intends to recover. Core administration expenses for the current year are under £20k.

5. **Repayment of Members' Capital and Share Interest**

It is planned to repay members' capital over a 20-year period. Original investment from members was £908k; as at May 2021 this has reduced substantially to £837k. For the year to date, repayments requested are only £1k. The Board will be seeking more capital repayments this year.

The Board recommends payment of 3% interest to shareholders this year with payments to be made before Christmas.

Proposed: Sarah di Rollo

Seconded: Alex Loftus

Rob Gibson thanked Andy for his service as Treasurer and recommended formal acceptance of the Financial Statement.

Proposed: Mike Turner

Seconded: Kathleen Donald

6. **Vote on Resolutions**

6.1 – Update to Rules It has become necessary to update our rules and CooperativesUK have prepared new Rules which are now available on the BroomPower website for members to read. On behalf of the board, Rob Gibson proposed to rescind the original "founder" rules and submit the new rules to the Financial Conduct Authority (FCA).

Proposed: Kathleen Donald

Seconded: Sarah di Rollo

Nobody opposed

Accordingly, BroomPower will adopt the new rules and take necessary next steps via CooperativesUK for their registration with the FCA.

6.2 – Composition of the Board

At present, the Board comprises four Directors, two new directors and a number of active volunteers. LCR would like a stronger board and the Chair sought the agreement of the members for the Board to carry out a review with any proposals for change to be put to the next General Meeting.

Proposed: Andy Kaye
Seconded: Paul Copestake

7. Election of Board Members

Both Rob Gibson and Kathleen Donald are due to stand down at this time – both of them are Type B members from outside the core area. Paul Copestake thanked both for their support and asked whether anyone present is interested in replacing them or joining the Board. Both candidates are happy to stand again. As there were no further expressions of interest, PC proposed that they be invited to re-join the Board.

Proposed: Dave Maxwell
Seconded: Robin Donald

Paul Copestake welcomed both back.

Co-opted Directors, Seori Burnett and Robert Mackenzie were also elected to the Board as Type A Members.

8 Membership Update

There is an opportunity for more Type A members (people resident within Loch Broom Community Council area) to become board members. In due course, Dave Maxwell reported that at present, LCR comprises 444 members and 2 non-investing community members.

9. Community Benefit Fund Update

In 2020, £17,005 was distributed to 18 local projects. This included one-off additional Covid related funds from the Scottish Government which were distributed via HIE. Dave Maxwell presented a list of wide-ranging local community- based projects which received funds.

10. Community Woodland Update

It should be noted at the outset that LCR had been working with UCT to purchase various parts of Lael Forest but at the beginning of the year, UCT declared a wish to pause their interest.

Since 2018, LCR has been trying to purchase the hydro footprint. This is proving difficult to register due in no small part to its geography and location. Registration requires fixed boundaries to north and south and takes in Area 4a and 4b. Lot 4A to the North is accessed through 4b via an access track at the Alt a' Bhraighe Bridge. LCR has drawn up a business plan to include community housing woodland huts, crofts

and cabins and also took advice from local woodland expert and architect Bernard Planterose.

The value of both lots (estimate 94 hectares) is £240k. BroomPower could attract a 95% discount from FLS. The costs to BroomPower to purchase the area in question would be £14k for the discounted lots and a further £20k for the hydro footprint itself which the land fund won't buy.

The obvious financial benefit to purchasing the hydro corridor is the immediate rent obligation to FLS (3k p.a.) and the return of an original £30k bond.

At present, LCR is seeking to obtain accurate estimate from planners for construction of 3 affordable houses in a small area near the turbine house.

Interest is considerable. There have been 60 direct enquiries and a series of tours have been conducted. There is a real demand for crofts from parties who express a desire to be self-sufficient, live off-grid and be independent.

LCR commissioned a drone film, part-funded by Community Assets, filmed over two seasons. It will be uploaded onto the website in due course.

Lot 4A to the north shows more difficult terrain and is more difficult to access
Lot 4B offers potential sites further up with possibilities for huts and cabins.

In conclusion, Rob thanked all attendees and hoped they found it an informative and useful meeting. He again thanked the Board for its hard work throughout the year. Robin Donald raised a vote of thanks to RG and fellow directors for their continuing huge work contribution and this was seconded by Serena Mason.

Rob Gibson
Chair LCR

Date