



**Draft Minutes of the Annual General Meeting of Lochbroom Community Renewables (LCR)  
held on Saturday 1 October 2022 at 13:30hrs at Ullapool Ferry Terminal and via Zoom  
Video Conference.**

**(Note: The AGM year refers to the period 31<sup>st</sup> May 2021 to 31<sup>st</sup> May 2022).**

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, Sandy Osborne, Alison Parsons (Company Secretary), Edel Walsh (Minutes)

Apologies: Kathleen Donald (Director) 22 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, noting that the community hydro will reach five years production of green electricity in November, achieving an average 85% of original business plan forecast. The key concern now is to increase community benefit and expand the Broompower team for the next stage which involves the purchase of the hydro footprint and management of the surrounding land.

Rob delivered a summary of progress since last year's AGM. Progress included selection of suitable and affordable tenders for topological surveys and digging of test pits, establishment of relationship with new HIE Community Assets Advisor, the setting of new tender amounts for previous hydro construction work, a necessary step for pre-planning application for affordable housing sites.

The Chair re-iterated the dearth of affordable housing in the area; responses to the Woodland Croft leaflet elicited 70 responses and a UCT survey conducted by Community Housing Trust underlined the high demand for affordable homes. Andy Kaye has conducted around 20 groups and individuals over the 90- hectare site around the hydro corridor. This proposed community benefit ought to convince the Scottish Land Fund to back LCR's Community Asset Transfer.

**New LCR Rules / Moves to Expand Community Membership While Paying Back Shares**

At the previous AGM agreement was sought and reached to lodge a new version of LCR's rules which was subsequently approved by Financial Services Authority. The Treasurer and new Company Secretary have worked hard to simplify the annual

process of delivering shareholder interest. Resolution of this matter has proven contentious and the Chair thanked both Dave Maxwell and Robert MacKenzie for their respective contributions following their resignations. Fifteen years remain to complete capital repayments and approximately £45k is required annually to satisfy this. FiT tariff income and electricity sales must be sufficient to match expenditure. No rules exist or have existed to insist on members withdrawing their shares to relieve budgetary pressures although the Board may exercise its discretion for ad hoc/emergency repayments. No further repayments may be made for the current financial year.

### **Community Membership**

This process must be launched very soon to encourage new members to take part in Broompower developments. The Board has decided that all Founder Members should get automatic offers of community membership.

It is crucial that Broompower embraces change to test possible provision of affordable homes, huts and woodland crofts around the hydro corridor to make success story.

## **2. Approval of the Minutes of the AGM held on 30 October 2021**

Proposed: Seoiri Burnett

Seconded: Tim Loftus

## **3. Generation Report**

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

In summary:

The Rainfall data from Broompower is closely correlated to SEPA's rain gauge at Loch Droma which has 32 years of data. This enables comparison with each year's performance at Broompower against a longer period of record which establishes a longer term average.

Income generation from electricity exported has increased dramatically – from 5.75p per kWh in 2017 to 0.1621 kWh in 2022. The income from the Feed in Tariff has increased with inflation from 0.16p per kWh to 0.1839p per kWh. We can expect a further increase in 2023.

- **Rainfall:** A dry summer was offset by a wet winter. Annual rainfall from June 2021 to May 2022 ranked 15<sup>th</sup> out of a record of 32. Notable months include June 2021 (the second driest recorded over 32 years) and November 2021 with continual generation. February 2022 was equally wet with continuous generation. April was a month of two halves – there was snow, rain and melt for the first half and nothing for the second.

- **Overall Performance:** In Terms of kWh, the project has delivered 84% of its long-term target for the period, its second best year since 2017.

Total Generated kWh – 341,331 kWh

Annual Target – 405,000kWh

Annual Income - £92,299

Actual as % target – 84%

#### **4. Treasurer’s Report**

The 2022 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. A full financial report is posted on the website. LCR is in a good position in challenging times. Outlook is for substantial income rise as demand for produced electricity rises and inflated windfall of the FiT payments. Expenses also expected to increase.

##### **Income Statement**

Turnover at almost £100k was improvement on last year and expenses were down. Lower interest income. No tax is payable and net profit increased significantly to £30,602. Value of fixed assets has dipped below £750k (depreciation). However, total assets have increased to just under £890k.

##### **Detailed Profit & Loss**

FiT payments (which end in 2038) are inflation-linked. A large increase in prices for electricity sales accounts for the highest price ever received per kWh. This payment has almost doubled since 1 May 2022.

#### **5. Repayment of Members’ Capital and Share Interest**

£908K equity shares subscribed for in 2016. 5-year retention period expires in November 2022. Thereafter withdrawal of shares must be spread over 20-year period. Only £7,500 in shares withdrawn in last financial year; this figure has increased significantly in current financial year.

The Board recommends payment of 3% interest to shareholders this year.

Rob Gibson recommended formal acceptance of the Financial Statement.

Proposed: Rob Gibson

Seconded: Andy Kaye

#### **6. Composition of the Board / Election of Board Members**

Two board members should stand down on an annual basis. Two members have already stood down in the course of the year, Dave Maxwell and Robert Mackenzie.

Alison Parsons and Andy Kaye have been co-opted as two extra board members.

Proposed: Sandy Osborne

Seconded: Seoiri Burnett

Proving extremely difficult to attract new board members. It's important to find a means to get people (especially younger folk) involved – especially those who are interested in housing.

## **7. Community Benefit Fund Update**

In 2021, £7005 was spent across 8 local projects including LCC beach clean fund, Sea Savers, Ullapool News, Scoraig Community Council, LCR (Pre-Planning Fees) and UCT (Housing Survey and Mountain Bike Trails Project)

## **8. Land Purchase Plans & Community Woodland Update**

Seoiri Burnet summarised background and ongoing progress.

LCR wished to purchase the Hydro footprint to save £3-3k annual lease and facilitate return of £30k bond. The purchase will also include a larger area of Lael wood running north/south along A835. This area is over 90 hectares and comprises mixed woodland, is split in two zones north and south of the Allt Glac Odhar.

The mechanism for land acquisition is via a Community Asset Transfer (CAT) from current owners Forestry and Land Scotland (FLS) to LCR. This would be financed by the Scottish Land Fund (SLF) who can fund up to 95% costs based on agreed valuation.

A number of key elements need to be in place to ensure successful CAT including detailed community benefits reporting, demonstration of local need, community support and planning support. LCR has employed the acronym HELP – Housing, Employment & Leisure for our people.

Support and advice have come from Communities Housing Trust (CHT). Two potential sites have been identified for housing; one above turbine house and a larger site above and rover track north of Allta a Bhraighe. Ground investigations, required due to challenging topography, have now been instructed and will represent first step in developing real proposals which will in turn be submitted as pre-planning application to ascertain views. The pre-application process is important as it drives questions from planners. It's expected that access will be an important consideration; including its location off a trunk road. The overall development will also include proposals for woodland management, hutting and woodland crofts.

CHT will submit pre-application on behalf of LCR which will be the next step in developing a full plan for CAT and SLF application.

**AOB**

Replacement signage for turbine house has been priced and will be designed and installed shortly.

A board meeting will take place in short term to take forward decisions and action points.

In conclusion, the Chair thanked all attendees and hoped they found it an informative and useful meeting. He thanked the Board for its hard work throughout the year.

---

Rob Gibson  
Chair LCR

---

Date

DRAFT