

Annandale and Nithsdale Community Benefit Company

Seventh Directors' Meeting 22nd January 2015 7 pm Tinwald Parish Hall

Present:	Martin Brown (Chairman)	Kirkpatrick Juxta
	Richard Clarke	Kier
	David Dick	Closeburn
	Nicholas Jennings	Eskdalemuir
	Richard Mann	Johnstone
	Jean Purves	Moffat
	Russell Stuart	Heathhall
In attendance:	Julia Whitaker	(Ailsa Horizons)
	Marilyn Elliott	(Elliott Services – taking Minutes)

The meeting started at 19:00

Minutes	Action
Welcome	
Martin Brown welcomed all to the meeting. Apologies for absence were taken	
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Derek Ivy, Alistair McFadzean, Murdoch MacPherson	
Approval of Directors to be voted onto the board	
<p>The Chairman noted that in accordance with article 76 of the Articles of Association, the directors have elected to appoint eight directors.</p> <p>The Chairman further noted that each of: Richard Clarke David Dick Derek Ivy Nicholas Jennings Maureen Johnstone Alistair McFadzean Murdoch MacPherson Russell Stuart</p> <p>had consented to act as Director and IT WAS RESOLVED that they be appointed as Directors with immediate effect and the Company Secretary be instructed to register the appointments with Companies House.</p> <p>The meeting closed at 19:15</p>	

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	Minutes	Action
	Martin Brown welcomed all to the meeting.	
1)	Apologies for absence	
	Derek Ivy Nicholas Jennings Murdoch Macpherson Stephen Thompson	
2)	Approval of meeting note from 6th Directors' Meeting	
	All agreed that the Minutes are correct.	
3)	Matters Arising	
	<p>➤ SPR Agreement</p> <p>The Directors challenged with asking a few questions of SPR at the last meeting were able to win on some and were not able to have changes effected on others. Those that were not able to be changed resulted in a letter of assurance being received from Gillian that SPR do not and have not made a habit of reducing or selling windfarms or taking out turbines for the sake of their own community benefit. Copy will be retained on file so that if such become an issue in the future, this assurance will be able to be supplied.</p> <p>There was also a difficulty with SPR regarding Company members and members of the Board not being permitted to make negative comments about SPR. Although the Board has the ultimate responsibility it still applies to any Company member. It was not possible to have this changed. A way around it is that the Articles of Association states that all have to act in the best interests of the Company and therefore if anyone is not acting in the best interests of the company, then there would be reason to deal firmly in such a case.</p> <p>Nick Jennings (NJ) asked whether it is correct that monies cannot be redirected to other community energy projects. Martin Brown responded that renewable energy projects by the local community would not necessarily come under a restricted activity. However, if a community wanted to put a quantity of large turbines on land, it might be a different agenda, but if a community wants to install a community heating system, solar panels or some sort of community energy devices, that would probably be in order. NJ further point out that he was thinking of renewable energy generation. Julia Whitaker suggested that on the level and scale it would be needed to be done in order to make money, the Harestanes fund will never reach that scale when talking of a £million investment for the turbine and finance would be needed for that. Also, a clause that has been in most Articles of Association is that the funds cannot be used to enter into any arrangement that would be in competition with SPR. Hydro schemes and biomass boiler schemes have been able to</p>	

Annandale and Nithsdale Community Benefit Company

be carried forward.

Martin Brown – in terms of structure for the future and what is the legacy after the 25 years, the opportunity to be able to say that there is something that needs to be formed for an endowment for the future is still all part of an ongoing discussion.

Julia Whitaker – 70% of the fund must be utilised each year, but some of it may be used, e.g. towards a community building.

Russell Stuart enquired whether SPR can be asked to guarantee a minimum sum for the life of the windfarm and was advised that SPR have put this in writing.

The Agreement has been signed and witnessed and is now with SPR for signing. The signing will be an event to give the scheme and ANCBC publicity. This to be arranged following Gillian's return from annual leave.

➤ **Bank Account**

As soon as the bank account is opened SPR, then a publicity cheque will be used and the funds will be transferred in by BACS and that will be as listed, c. £395K and then invoices will be able to be paid, i.e. to Burness Paul, the balance of Ailsa Horizons' fee and other sums that Martin Brown has been settling out of his own bank account.

The process regarding the bank account will be finalised within the next 24 hours. Jean Purves asked whether there was need to send another document to the Co-op Bank? Julia Whitaker advised that there will not be need to send another document as the Bank will check ANCBC's entry on Companies House. As soon as the information is lodged with Companies House, she will call up all the information to ensure that it is there, print it out and send it, but they will check it themselves. The Board members present who have not as yet filled in the form necessary to make an online submission to Companies House will need to supply details tonight for this to be done. Copies of these forms will be retained by ANCBC

➤ **Fund Administrator**

8 organisations responded to the invitation to apply to take up the above post and 4 have submitted tenders. Ailsa Horizons were invited, but are not applying due to feeling that they do not have the necessary capacity at this time. However, they will continue support as necessary and if the post came up for renewal at any time, they would appreciate being invited then. Applications have been received from Foundation Scotland, Community Energy Scotland, Southern Upland Partnership and the Coalfield Regeneration Trust (who would charge V.A.T.) Community Energy Scotland have been involved in community energy for the last 15 years or so and were involved in the original applications from the Energy Saving Trust and from the funding that was available, they assessed all the projects that were around community energy. They have a good knowledge of what to do and how to do it. They also have local representation in Annan and somewhere further west. Southern Upland Partnership works across the region and has some major resources to bring into play that would be appropriate for their understanding of all the communities involved in ANCBC. Foundation Scotland offer to do what is needed, but there are some elements within the proposal that mean that they would wish to make major changes in due course. They are based in Edinburgh. 4.

No decision is to be made on this matter this evening because a scoring process needs to be applied and will require a sub group. It was suggested that the three Board members who have previously worked together due to their proximity to each other should carry out the scoring process and this was agreed and is Martin Brown, Jean Purves and Richard Mann. They will then make a recommendation to the Board and that it will be a starting position of a 15 or 18 month contract. The Coalfields Trust will have picked up the opportunity from the Senscot website. They do relate to certain areas, but are a UK-wide organisation and their tender is higher even before the V.A.T. is added. However they will be scored as appropriate.

Previously, Foundation Scotland have always insisted that administration costs should be paid by the operating power company, not out of the fund. SPR's opinion has been clear that any costs of the fund should be taken from the fund. Foundation Scotland appear to have changed their position on this and this may be the background to want to make changes. Their main advantage is that do have a large team of Assessors to call upon who deal with this process and provide detailed reports.

Julia Whitaker agreed with all that Martin Brown said regarding Foundation Scotland and

Annandale and Nithsdale Community Benefit Company

	<p>added that they have a unique place within the industry because they provide Administration for so many different people, but they normally wish to administer the fund under the Foundation Scotland name and ANCBC do not wish to take this route. ANCBC wish to hold all funds, not the Administrator. To do otherwise could put ANCBC at risk. Company membership and ultimate decision making on fund allocation, etc. is to stay with ANCBC.</p> <p>The work of the Fund Administration will be monitored regularly with there being milestones within the monitoring. The applications from potential Fund Administrators will be emailed to all members of the Board.</p> <p>The Fund Administrator will provide a one page report that the Board can consider and decide whether they agree with the recommendation made. If a community seeks £5,000 and the Assessor suggests that £3,000 would be sufficient, that decision will also be up to the Board to take with justification.</p> <p>The Board will not become involved in the decisions made by community councils re expenditure of the original £4,000 or the £2,000 per annum other than reviewing correct use of the funds through the Community Councils annual reports to ANCBC.</p> <p>It is planned that the Fund Administrator will be in place to start from the launch in March 2015. There will be around £395,000 received soon to be distributed as soon as possible and a further £300,000 will be received from SPR in August, 70% of which is to be distributed within twelve months.</p>	
4)	<p>Administering first grants to community Councils</p>	
	<ul style="list-style-type: none"> ➤ ANCBC will deal with the grants and the yearly processes from the Community Councils in order to stay up-to-date with the changes that take place with Community Council members and officers, providing a 10-month element of being correct. Due to keeping all these records, they will form part of ANCBC's annual reporting process. All aspects of company membership and own meeting schedules will stay under ANCBC and the scoring principles for grants will also stay with ANCBC. ➤ By the time the fund is launched, at the end of March 2015, ANCBC will be inundated with applications for the next 6 months. There will therefore be a round of assessments every month. This will put some demand on the Board but will gradually even out. Julia Whitaker advised that meeting every month to consider applications gives a feel for what is needed, in tune with the applications communities are making and enables the Board to build their experience to lead to bi-monthly/quarterly assessments. Alternatively, in time it could be that the up to £5,000 applications are dealt with on a monthly basis, the £5 – 20,000 applications on a quarterly basis and the major applications will have a different progression due to being received initially as a Stage 1 application. ➤ With the £4,000 being distributed initially, it is hoped that all the smaller applications for £200 - £500 will go directly to Community Councils so that these elements will reduce the number of small applications going direct to ANCBC. This has also been explained to those applying to be Fund Administrator that the reason the fund starts at £0 is that 10 of the affected communities are not company members and will not receive the £2,000 per annum or the £4,000 so members of those communities need to be able to apply to the fund as soon as it opens for their particular projects. This means there is a great opportunity for communities to have significant projects both from the £4,000 and to the main fund that will probably have c.£250,000. ➤ Regarding the major project application form, Julia Whitaker advised that the initial application will give a project synopsis along with the information required by the £5,000 application. That will be considered by the Board and decision made as to whether it is suitable to take forward. The second application for large revenue and/or capital projects will need to be supported by business plans, etc. Martin Brown then added that if feasibility funding is required for a 2-stage project, application can be made for that within the £5,000 and £20,000 applications and would be a sensible process to follow for a large project because it would prove that the initial part had almost been completed. The Fund Administrator will also be available to give help and advice. ➤ Form A's are awaited from Kirkmichael and Lockerbie Community Councils. Once those have been received, the database and papers will be passed to Jean Purves, Treasurer, in readiness to prepare the initial £4,000 cheques once the bank account is open. Terregles and Georgetown have regularised their membership and their necessary forms have been 	

Annandale and Nithsdale Community Benefit Company

	submitted, giving the 31 anticipated. Ae Forest have not found it possible to re-form their Community Council and are therefore not members. Thornhill Community Council is currently undergoing examination as to issues of operation as a Community Council, but is expected to be resolved in due course. (after the meeting similar issues were identified with Closeburn CC both these should be resolved by March 9 th)	
5)	Finalise Application Forms <ul style="list-style-type: none"> ➤ There is still some fine tuning to do. When done, the forms will be circulated to the Board to complete trial applications to test the system. The Fund Administrator will retain all paper copies that will also be scanned in and retained for digital transmission. The idea will also be to have a Directors' area on the website that is password protected for them to be able to access information. 	
6)	Launch Plans and Banking <ul style="list-style-type: none"> ➤ Two Academies will participate in the Branding competition – Wallace Hall in Thornhill and Moffat Academy, each of whom supplied several different options. Martin Brown had received branding ideas from both of these and they were handed round for comment. The graphic No. 1 from Moffat Academy with its strapline "Propelling our Communities" was outstanding and was chosen by 6 of the 7 Board members present. Martin Brown will revert and request for completion of the Brief showing various uses of the branding. ➤ It had been agreed that £20 each would be given to each participant up to a maximum of 20 and £200 to the winning school and £100 for the winning design. The number received are less than 20 and therefore all will receive £20. ➤ It is not possible as yet to set a date for the launch but the Academies will be made aware of the £500 social enterprise idea and Dragon's Den presentation at the launch. The Academies will be advised that a decision is required within 2 weeks saying that you are taking this forward, then ANCBC may have to make a different decision. We definitely need to have a registration of interest that they can participate. It will need to be before the Schools shut for the Easter holidays on 2nd April. The Head Teachers of the cluster schools will make the decision as to whether teams are submitted from primary and/or secondary age groups. 	 MB MB
7)	Any other business <ul style="list-style-type: none"> ➤ Julia Whitaker raised a potential query that might arise, i.e. can a Community Council apply for e.g. £5,000 from the main fund and £500 from their Community Council allocation fund. It was decided that this can be done only if the latter is being used for either seed funding or a different part of the project, but not as match funding. 	
8)	<ul style="list-style-type: none"> ➤ The next meeting will be held on Wednesday 25th February 2015, 7 pm at Amisfield/Tinwald Parish Hall. 	
	<ul style="list-style-type: none"> ➤ The meeting closed at 8.35 p.m. 	

TASKS

Contact Wallace Hall Academy, Thornhill and Moffat Academy with result re. Branding
Advise all curtilage Academies of Dragon's Den idea and £500 prize

Martin
Martin