

MANAGEMENT COMMITTEE SHETLAND COMMUNITY BENEFIT FUND LIMITED

Minute of the Meeting of the Management Committee for Shetland Community Benefit Fund Ltd (SCBF) on Monday 24th June 2013 at 6pm in the Training Room, Market House, Lerwick

Present

Chris Bunyan	Chairman
Alan MacDonald	Vice Chairman
Martin Tregonning	Company Secretary/Treasurer
Garry Laurensen	
Barbara Cheyne	
James David Garrick	
Neville Martin	
Kenny Pottinger	
John Roelich	
Dan Thompson	

In Attendance

Catherine Hughson, Voluntary Action Shetland (VAS) Executive Officer
Kate Massie, VAS Admin Assistant (note taker)

1. WELCOME AND INTRODUCTION OF NEW DIRECTORS

The Chairman welcomed everyone to the meeting and introduced two new Directors, Mr Garry Laurensen and Mr James David Garrick.

2. APOLOGIES

Apologies were received from Emma Williamson, Hubert Hunter, Laurence Robertson and Tom Dally.

3. MINUTE OF THE PREVIOUS MEETING

The Minute of the meeting held on the 7th of March 2013 was adopted on the proposal of Mr Alan McDonald; seconded by Mr Dan Thompson.

4. MATTERS ARISING

There were no matters arising.

5. CHAIRMAN'S REPORT

For the benefit of the new Directors the Chairman gave a brief explanation on how this Committee was formed and its remit. The overall objectives and aims of SCBF are to support economic development within Shetland, especially small local enterprise. SCBF Rules have been designed to keep operations as fluid as possible and hopefully avoid too much bureaucracy.

The Chairman went on to say that if the Viking Energy project did not go ahead there was still other alternative energy project that we could become involved in. He told the Committee that the Negotiation Team had had two formal meetings with Viking Energy Partnership (VEP). From these meetings we now have the bases of an agreement with VEP. VEP accept the role of the SCBF and do not want to enter into negotiations with any other organisation.

To date there is still some disagreement regarding the proposed payment per installed megawatt and the Negotiation Team continue to lobby for change of criteria for this.

The Chairman met with Mr Alan Bryce, Chairman of Viking Energy Shetland. Mr Bryce was sympathetic of our situation and the fact that we have no funds at present. He said he will raise this with Scottish & Southern Energy (SSE) Management and VEP.

Following meetings in Perth with Mr Ross Easton, SSE Community Investment Manager; and in Shetland with Mr Aaron Priest, VEP Project Manager the Chairman felt that they are not going to change the current amount being offer per installed megawatt. He had suggested a larger “up front” payment and also a separate payment for something like an energy efficiency fund. Mr Easton and Mr Priest were not keen on these suggestions. The Chairman had told them that SCBF require a lump sum to enable them to develop operations and employ administrative staff, he pointed out to both that some of what he was suggesting regarding funding for admin etc were his own ideas and this still had to go before the SCBF Management Committee.

The Committee went on to discuss next steps and it was agreed to accept the current offer of the first year’s advance payment as long as clear figures are obtained before it is agreed. It was also agreed that, although the Negotiation Team will continue to lobby VEP to obtain the fairest deal for Shetland, we must be mindful not to undo the good work that has already been achieved by SCBF.

Shetland Partnership Board (SPB) – The Chairman told the meeting that at a meeting of the SPB in November 2012 a report was submitted from the Executive Manager – SIC Economic Development. It reported on the proposal to develop a structured Community Benefit Policy for commercial renewable energy projects, and on the need for the delivery mechanism to be agreed at a corporate level and that prospective renewable energy developers would expect a Community Benefit Policy to be approved at a high level of governance in Shetland. Following this meeting Mr Bobby Hunter and Mr Chris Bunyan met with Cllr Gary Robinson and Mr Ian Kinniburgh to inform them that SCBF had already entered into negotiations with alternative energy providers to obtain the best community benefit for Shetland. They explained that SCBF was formed, following due process, by all of Shetland’s 18 Community Council with a representative from each CC region sitting on the Committee.

Extract from SPB meeting on 14th February 2013:

15/12 – Community Benefit Framework

In response to questions, it was confirmed that the Community Benefit Policy is to be progressed by the Council’s Executive Manager – Economic Development with assistance from the Chief Executive, SCT. The Chair reported that a worthwhile meeting had been held with Mr B Hunter, Chair of the Shetland Community Benefit Fund Ltd. (SCBF), and he would expect the Policy to be developed in consultation with Mr Hunter, and that an update on progress would be reported to a future meeting of the Partnership Board.

The Executive Manager – Community Planning and Development undertook to provide an extract from the minutes of the meeting on 13 November 2013 to the SCFB Ltd.

To date the revised report has not been presented to SPB. Mrs Hughson sits on this Board and she will report to SCBF when this item appears on the SPB agenda.

Action: Catherine Hughson

Highlands & Islands Enterprise (HIE) – the Chairman said that he had met with HIE and said they were really supportive. The Chairman has submitted pre application to the Leader Funder which has been approved and is awaiting result of the full application submitted to Leader.

The Chairman said we need to develop and agree the following documents: - Aims & Objectives; Business Plan; Application Process; Governance Process and Best Practice. Mrs Massie will obtain information on this and forward to the Chairman for the next meeting.

Action: Kate Massie

The Chairman will obtain indicative costs for the services of a Consultant. There is a lot of work to be done and important decisions to be made.

Action: Chris Bunyan

The Chairman said that when the fund is operational no money will be paid in retrospect except for payment to Voluntary Action Shetland for providing admin support.

The Chairman is a member of Community Energy Scotland and has attended one meeting. The cost of attending was paid for by them.

6. AOCB

6.1 Other Projects

The Chairman told the meeting that we had received a letter from Lerwick Community Council enquiring about current and proposed small wind farm projects near to Lerwick and if SCBF would be involved with these projects. Mrs Massie had circulated the letter and the Chairman's reply along with the meeting papers.

In the letter to Lerwick CC we said that at present SCBF is concentrating on its negotiations with Viking Energy and currently had not decided to become involved with any other projects at this time. The Chairman said that he had previously drafted a report on this subject and will update it for circulation at the next meeting.

Action: Chris Bunyan

Mr MacDonald suggested that a local project would be for benefit for that area and SCBF could provide support with admin etc.

7.20pm – Mr Kenny Pottinger left the meeting.

The Chairman said this could be possible in the future and we could offer our support to smaller projects. We would need to differentiate between personal and commercial projects.

6.2 Funding

As mentioned previously in the minute the Chairman submitted a funding application to the Leader Fund. One of the conditions of this funding is that we have to raise 5% of the grant applied for. The Chairman said that Shetland Aerogenerator have agreed to donate money to SCBF to cover the 5%. This was well received by everyone; we will await the outcome from the Leader Fund application.

There being no other business the meeting closed at 7.35pm.

7. DATE OF THE NEXT MEETING

Mrs Massie will circulate the date of the next meeting in due course.