

LISMORE COMMUNITY TRUST

Draft Minutes of the Annual General Meeting

held at 7.30pm on Thursday 5th December 2019

in Lismore Public Hall

- 1 PRESENT: Sebastian Tombs (Chair, notes), Anita Bachuil, Carol Wormleighton, Julian Wormleighton, Eva Tombs (notes), Gilly Dixon-Spain, Roger Dixon-Spain, Bob Hay, Dot Hay, Clare Haworth, Mike Hyatt, Anna M Stewart, Noelle Odling, Jennifer Baker, Kiki MacColl, Archie MacGillivray, Sarah Campbell.

APOLOGIES had been received from Valerie Livingstone, Niall Bachuil, Liz Buckle, David Wilson, Teenie Wilson, Rosemary Barry, Memory McDonald, Jennifer Allan, Ian MacKinnon, Margaret Black, Duncan Black, Freda Drysdale, Duncan Drysdale, Margo Bell, John Whitehead, Marilyn Whitehead, Ron Livingstone, Mary Walker, Yorick Paine, Julia Fayngruen, Gill Law.

There were thus 16 Ordinary Members and 1 Friend present; no proxies were submitted.

- 2 MINUTES of AGM of 8th November 2018: proposed for acceptance by Julian Wormleighton, seconded by Archie MacGillivray, and approved unanimously. It was requested that these be placed on a publicly available platform.
- 3 MATTERS ARISING, not on the Agenda: none were raised.
- 4 REPORT from the CHAIR:

Sebastian read the Report as printed in the Accounts, as follows:

The directors have consistently pursued the objectives of the Trust as set out in the Articles, persevering despite setbacks and delays. The Board acknowledge the capacity-building funding it has received as a Partner in the Lorn Islands Partnership through the Scottish Government's Strengthening Communities programme.

This has enabled the work of Gill Law, part time Development Officer to be maintained – such continuity has been invaluable in making progress.

During the period the Board met on 16 occasions, and welcomed to the island representatives of SSE, DTAS, HIE, SCDC, AliEnergy and RHS to discuss opportunities for enhancing the life of the community in a variety of ways. Directors participated in events in Oban on Augmented Reality, a Democracy Day; on Tiree for the Scottish Islands Federation Conference and AGM; on Mull for a housing study visit; and in Dunkeld for the Rural Housing Conference. The Chair also participated in chairing 17 meetings of the LIP Board, and associated activities.

Regarding specific Projects: after a substantial clean-up of the School House in Achnacroish by directors and friends, and some redecoration and plumbing maintenance, an invigorating Open Day took place on 31st May, with a follow up day on 6th June. About 50 attended to participate in Island Plan discussions and to get a feel for what the building could be used for. There was a buzz about the event, and many commented on the positive feeling of the house: domestic and informal rather than institutional and formal. A fire in the grate and soup on the plate! An application for Change of Use was initially lodged in May, resubmitted in the Autumn, with a result confirmed in December. A Planning Condition requiring the provision of 2 parking spaces on the garden ground was challenged (bearing in mind that the proposed Licence envisages only a 6 week Notice period) but was upheld by the Local Review Board. Efforts will continue therefore to resolve this Condition.

Via the Lorn Islands Partnership, a Tourism Management consultancy was let. Carron Tobin held a busy consultation event in the School House on 1st December. Her report finally issued in July 2019 recommends the issues raised be resolved by continued discussion within the community; getting and sharing basic facts and data; and improving the visitor experience.

Following the AGM in November, at which the Chair summarized planning options for development, a meeting was sought with Planning Officers to clarify the principles adopted in applying the Local Development Plan. This took place in January, and assisted in identifying opportunities primarily around Achnacroish (unless changed by the next Development Plan - LDP2), where two sites for housing are already earmarked. Trust ideas for work space units at Achnacroish, or refurbished Clachan Steadings, were considered positively.

Meanwhile, work with Rural Housing Scotland indicated that a further housing needs survey would be required and this was undertaken in May and June. A Newsletter Update was sent with it, along with a copy of the new Lismore Visitor Guide and Map, produced as part of the kiosks project. Sadly, during the destruction by fire in early January of 2 Port Ramsay – the Trust's registered office – the great majority of timber and other fittings for that project were consumed. A huge amount of loving labour by David Wilson (who had designed the fit-outs with timber generously donated by the Normans of Kilcheran) went up in smoke. Insurances were checked but no cover was forthcoming. The directors are, therefore, recommencing this work. Meanwhile, the Guide and Map have been deployed and been warmly welcomed.

So, with the setbacks at the School House, losses of kiosks materials and delays in support for the work space units and housing, the year has been less productive than had been hoped for. Nonetheless the directors remain positive about the way the Trust can offer a constructive vehicle for the community, and is actively representing it within the Lorn Islands Partnership. Continuation funding through Year 3 from the Scottish Government via the Development Trusts Association Scotland (DTAS) and through the Investing in Communities programme, has made a great deal of difference in capacity building, (which we hope will continue through to the end of March 2020). Lismore is

now in partnership with Easdale only, Kerrera and Luing having stepped back in March due to success with securing projects and focusing on their island priorities. Shared promotion of all 4 islands was maintained through the year via the LIP promotional leaflet which was widely distributed.

In July 2019 Lismore hosted a National Islands Plan consultation event. Issues of importance were raised, notably second home ownership percentage increases in the area, which was having a negative impact on young families' ability to remain in the community.

The Board warmly thanks two directors for their work on behalf of the Trust: Teenie Wilson retired in November 2018 (although continuing to provide valuable financial support); and Ann Maclean Fleming stood down in May 2019. This has meant that the Board only comprises 4 directors – the absolute minimum to be able to operate, making holding meetings and achieving a quorum not always easy.

Our thanks go to all those who have supported the work of the Trust – colleague Island Groups, private and Charity donors, local Councillors and islanders and the wider network of its friends. The Board looks forward to earning the continuing encouragement of the community in the years ahead.

5 Consideration of the ANNUAL ACCOUNTS:

The Chair noted the following main points: The General Fund had fallen over the accounting period from some £3.5K to nearer £1.5K, a reduction that would be addressed via charging back costs for premises use; and other fund-raising. A cash sum of £111.70 was lost in the fire at 2 Port Ramsay, which proved to be unrecoverable from insurance, unfortunately. On the Restricted Funds, figures of 31k had come from the W M Mann Foundation for the Go for It! Project (Lunch club and related activities); £433 for a soft play installation – as yet to be realized due to pressure

on space. Since the close of that year, £5880 had been secured from the Postcode Community Trust – via the Postcode Lottery – which had enabled the Go for It! Project to commence; supplemented by £1K from the W A Cargill Fund, and £500 recently from ACHA, as well as a variety of smaller donations.

The current status of the funds was summarized as follows:

Bank balance	12,243.74	
Cash balance	245.30	
Paypal	10.58	
TOTAL	12,499.62	represented by
General Fund	1,108.85	
Kiosks	2,787.64	
School House	0.00	
Junior Photo Club	254.79	
Go for It!	7,915.54	
Com'ty Resources	432.80	
TOTAL	12,499.62	

The Accounts were noted, having been proposed by Anna Stewart and seconded by Archie MacGillivray.

6 Direction as to the APPOINTMENT of an INDEPENDENT EXAMINER:

The directors commended to the Meeting the reappointment of Ainsley Smith & Co as Independent Examiner; and this was agreed unanimously.

7 Setting of ANNUAL SUBSCRIPTION(S) if any and due date:

Roger Dixon-Spain proposed, seconded by Kiki MacColl, that there be no annual subscription for the year ahead, approved unanimously.

8 ELECTION / RE-ELECTION of DIRECTORS:

Julian Wormleighton stepped in to the role of Chair for this item. He prefaced his remarks by noting that the current Board had comprised Sebastian, Archie, Anna and Kiki, the latter two of whom had to retire by rotation, but had expressed their willingness to stand again.

Julian stated forcefully that he could see little future for the Trust if no further directors were appointed to support its work; the burden falling on the Chair currently being intolerable. Despite this plea, there were no other nominations from those present. Anna and Kiki were therefore appointed with the Meeting's approval, there being no need for a vote.

It was recommended that this matter be an item for the next directors' meeting. ACTION Directors

9 STATUS / ACTIVITY REPORTS:

Sebastian gave a brief overview of work in hand, noting the Tourism Management Report prepared by Carron Tobin for the Lorn Islands Partnership (LIP), which recommended all those involved with visitor management to share data and intelligence. A Seaweed Farming Report had also been commissioned by the LIP, which was due shortly at which point there would be a public engagement session. The national islands Plan team had visited over the Summer, and the Implementation Plan was currently out for consultation. Meanwhile the Island Plan remained the general guiding document for the directors, and would be kept under review. Bob Hay requested a copy.

On specific Projects, the Kiosks remained incomplete, but Archie and Vanessa Norman had kindly donated a further quantity of timber for the installations, which the following year would see being taken forward again. Aiming to achieve the original scheme for both kiosks remained the directors' plan, and it was noted that interim leaflet racks had been installed in both, supplying free information and maps to visitors at the two entry points to the Island, kept filled by Iris Piers at Point, and Anna Stewart at

Achnacroish. The School House had been being used successfully for some public meetings, and now for the Lunch Club / Go for It! Project. However, the recent news of the retirement of the Head teacher at Easter 2020 had meant that the directors would have to monitor matters very carefully, should the Council wish to bring it back into use as a dwelling for a new teacher. Housing work remained on the agenda, potentially with the development of a detailed feasibility study; however, this would await progress on the work space initiative at the SSE and MacDougall sites in Achnacroish – the decision on an application to the Scottish Land Fund via HIE for Stage 1 feasibility study work on this project was expected within the next fortnight. Asked about the Clachan Steadings, Sebastian reported that this remained on the directors' medium term agenda, but awaited more homework before an application to the Architectural Heritage Fund for a refurbishment study could be managed.

- 10 FUTURE of SHOP and POST OFFICE: The Chair drew attention to the hard copies available of the REPORT by the WORKING GROUP. (This had been circulated by email to all Members and Friends some 24 hours earlier).

Sebastian introduced the Report which had been produced by the Working Group, set up after the second public meeting on 21st November. This outlined the general position with regard to David and Teenie Wilson's timetable; explained the importance of the Postmaster role in the financial 'package' of the business of Lismore Stores, and the need to maintain the current Post Office contract, or risk the loss not only of the service but also a substantial portion of the total business income; reported on a financial projection, based upon excerpts from the accounts between 2014 and currently, adjusted for a new management and staffing model; and noted a set of options for potential community involvement.

The Report was welcomed, and Brona's role in presenting the potential financial implications were considered particularly

valuable. They demonstrated, however, that the additional burden of staffing and the lack of tax benefits accruing to a community business as compared to a private enterprise, meant that the 'bottom line' was 'touch and go'. In addition to this, an initial capital sum would be required to purchase the stock, equipment and good will; on which the sellers had stated that they would be prepared to accept £30K as a minimum, but could look at ways of spreading that cost over time, amongst other measures. The figures as attached to the Report did not take into account any loan costs. The Report touched on options for community fund-raising to tackle that question, subject to community support.

The Report clearly recommended the best option as a private sale; a 'Plan B' of community ownership could be considered if a financial model that was robust could be produced; a 'Plan C' option of maintaining the Post Office alone was also worthy of further study; or alternatively, stepping back altogether

Discussion:

There was strong agreement with the preference for a private sale, alongside puzzlement and concern that advertising and other forms of publicity did not yet appear to have been taken forward by David and Teenie. This, it was felt by everyone present, should be a matter of the highest priority. Sebastian drew attention to the supportive efforts made in this respect, mentioned in the Report, and the recent communication from David and Teenie about this, quoted in the Report. While appreciating that this was evidently a matter for the proprietors to co-ordinate and manage, the community's continuing interest in securing a purchaser was also considered extremely pressing, especially given the relatively short time frame between December and the end of March 2020.

This lack of progress on widespread knowledge of the opportunity was of concern particularly to those running businesses on the island, and those developing business activities, for whom the Post Office was a crucial part of their infrastructure. There were many

who would be more than willing to assist in spreading the word about this special opportunity.

Uncertainty about the length of a potential lease was noted as a point of concern, whether for a private purchaser, or for any community option. Agreed that there was a need for discussion of lease durability with the landlord.

Ideas about ways of raising funds to acquire the business were discussed, including share options, promissory notes, 'Go Fund Me' online.

Some considered that the idea of maintaining the Post Office on its own had some merit. Could this be taken on by two or three people working, say, 12 hours per week each, under a new sub-Postmaster?

Valuation of stock, equipment and goodwill was discussed. While some elements could be independently assessed prior to a handover, some elements related to the judgement of both parties as to the value of what was intangible. For some, the community cohesion, which the Shop and Post Office supported, was as important as realizable, if movable, assets.

While the current premises could be seen as having certain challenges – in terms of space, condition etc - it was agreed that the immediate concern was to secure the future of the business; options for any change of premises or location could be considered at a later date, if the community and/or business proprietor supported that.

The regime for inspections of premises was noted, although it was thought unlikely that food preparation was an issue. The Post Office itself arranged PAT testing etc, but some allowance for additional costs in this area would be sensible if the premises were to become a community lease.

In a similar vein, Public Liability and related insurances would be required by any proprietor.

The idea of raising the £30K via the community and ‘friends’ of Lismore was mooted and a show of hands requested to indicate who would be in favour of such an initiative, if as a last resort, other methods of securing the business had not been forthcoming. The majority showed in favour, and this led on to a discussion about how such an approach could best be developed.

If successful with fund-raising for acquisition, the community could potentially then take on control of matters, even as an interim measure. A suitably qualified panel would need to be assembled to sift applications and undertake interviews. It was thought possible that the opportunity might be attractive for local people, under this new approach, as well as for those from elsewhere.

However, the timing of any crowd-funding would need to follow a number of other steps. These included: obtaining the community’s mandate; getting quality legal advice; clarity in the purpose and management of such funds; decisions on who should take on this role – was the Community Trust the best bet? It was noted that the Trust’s Articles set out how decisions relating to legal and financial commitments required due process (Special Resolutions at General Meetings, and support by 75% majority) – all of which took time. If a new Trading Arm were to be established, that would require special advice and appropriate time.

It was pointed out that, if there were sufficient funds to acquire the business, those interested in taking it on could do so free of the initial investment burden; it would be a matter for the community and the donors – in essence acting as bankers - to agree the terms on which this sum would be repaid.

There were, however, risks in such an approach, and legal agreements would need to be in place to ensure any new operator’s responsibilities. Initial contact had been made by the Trust with the Plunkett Foundation, which advised many community groups on such endeavours; access could also be made to the services and support of the Development Trusts Association Scotland (DTAS).

If the community became the owner, rather than a banker / lender, then it was suggested that specific professional oversight could be required, in order to ensure effective management – adding to the costs to be borne by the business – beyond those already indicated in Brona's spreadsheet indications. The experience of the Heritage in this regard was salutary. There was a widespread view that community ownership and operation of the business was the least desirable option and a number of contributors indicated that they would rule it out.

The timeframes for following through on the actions discussed, should be a matter for early communication to David and Teenie.

In conclusion, there was unanimity to a 'hands off' approach, giving the new proprietor a free hand and the appropriate incentive to make the most of the opportunity.

Action points:

Notes of the discussion, decisions etc to be circulated to all those present for immediate correction etc, prior to wider availability. If possible, placing on the Trust section of the Island website and posting on the Community Facebook page would be desirable.

ACTION ST

The Chair was requested to have an early conversation on the main points and timeframe with David and Teenie. ACTION ST

Thanks to be offered to the Working Group members, especially Brona: ACTION ST

Volunteers for further discrete action, or for review of circulated papers to support an ongoing Working Group included Clare, Jennifer B, Bob H, Sarah C, Julian – much appreciated.

11 ANY OTHER BUSINESS: there was none.

The meeting closed at 9.35pm

ST 16 December 2019