



LISMORE COMMUNITY TRUST

Purpose: to maximise the potential social, economic and environmental well-being of the whole community of the Isle of Lismore

MEETING OF THE LISMORE COMMUNITY TRUST AND MANAGEMENT BOARD

11th January 2024 Lismore Hall 7pm

Present:

Peter MacDougall, Anna Stewart, Archie MacGillivray, Anita Bachuil, Laura Savill, Julie Livingstone, Peter Walker, Donald MacColl.

Virtual: Brona MacDougall & Kate McLuskie

1. AB welcomed everyone to the meeting.
2. Apologies were received from Tony Currie
3. **Minutes of the last Meeting of the LCT.** AB reviewed the Minutes from the meeting of 9th November 2023 and these were seconded by AS and approved by the LCT directors.
ACTION: AB to check any outstanding issues that were to have been actioned by AH and pick these up where possible.

The statement from the outgoing Chair was read to those present. It was intended that any relevant paperwork that might be held by Andy Hough would be collected and re-allocated as necessary. This statement is p. 4 of these Minutes.

(This has been superseded by another email from AH in which he said that he would pass his handover notes over to Archie MacGillivray to take to Bachuil).

4. **Issues of concern between the LCT and Management Board.** It is acknowledged that AH has done an enormous amount of work and taken the community forward during his years as Chair. That said, this issue and the place we find ourselves in today is unfortunate and it is important that we learn lessons from this and have clearer policies and practices in place and with hindsight having a chair of the IMB being the same person in a position of Trust chair may have led us to find us where we are now as lines of reporting easily became blurred.

Following the correspondence from the outgoing Chair we would wait and see what actions he takes.

The aim of this, from the Trust point of view, was to keep this all "In House" but matters have developed in such a way that this will now unfortunately move into the public forum through these minutes.

It was noted that AH had said he would be contacting existing members of the Trust and shareholders and we had told him that this would be against GDPR rules, would be breaking the Law and would go against the rules of the Trust.

ACTION: AB. Policies of the Trust are now to be reviewed to include bullying, harassment, whistle blowing etc going forward AB to organise with some advice from DTAS and the Plunkett Foundation.



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Mediation was looked at once more and AB to look into further, with some structure put into place to avoid a repeat of this situation with steps in place to prevent this occurring in the future.

DTAS advised by email that some training was available to us re Governance structure within the Trust. **ACTION:** AB.

AB to place a notice on FB page thanking the outgoing Chair for his outstanding efforts and look to fill the post which may be split over 2 people identifying 2 vacancies - Julia F was put forward as a suggestion as she has a good knowledge of the Housing to date, perhaps someone else could look at fund raising etc. The role of Treasurer needed to be filled also.

5. **Financial Report from the Management Board.** BM presented the financial report to the Trust. First month's trading looked positive. It seemed that we would break even, possibly even have a small profit. It was agreed the MB would post a quarterly shop update to the community and thank Archie MacColl for the use of his land for container and van parking. **ACTION:** MB

6. **Update on shop, including internet, card reader, computer and EPOS system.** LS to compile a list of companies that would have AH as a contact with a view to getting them into shop managers name instead for ease of use, e.g. WIFI, BT EPOS, van docs etc.

7. **Trust Finances.** LS felt she probably knew roughly what was going on re the Trust Finances. The Trust was awarded a grant from DTAS/Shares Scotland for pre-Shop purchase expenditure. It was approximately about £2k. This has paid for the Launch Party, vehicle decals, pamphlets, sweatshirts plus other items LS couldn't remember.

The main Trust funding is for the houses. We were award from SLF a sum of about £22k. This is not in our account but a sum we can draw down from. We have very few transactions and the process of paying the invoices arising from the work happening involves 3 steps. The invoice comes in, we then send it to Carl Emery (SLF) who then approves the payment (or part of it) and deposits the funds into the account. We can then pay the invoice.

Frequently, the amount that SLF paid has been less than the amount we've been invoiced for, AH told me it was VAT difference that would need to be claimed, but it appears not to be the case. It's possibly because the amount requested was less than the actual expenditure and there doesn't seem to be a way of underspending in one area to overspend in another.

8. **Housing.** Nothing could be reported here as AH has all the information. We are hoping that we can find someone to pick this project.

9. **Kiosks.** Archie McGillivray agreed to re-instate at his own cost the damage done to the Point Phone box and would claim on his own insurance policy if necessary.



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10. **Post Office Contract.** BM to chase Mark Simonds once more with a view to it being in the names of the Trust Directors.

11. **Alcohol & Tobacco Licences.** Training to be completed by RM & RD regarding alcohol Licence personal (premises licence in place). **ACTION:** BM to follow this up.

12. **AOB** LS to speak with A&B council to organize Business rates to be payable in order for refuse to be collected.

Date of next meeting 22nd February 2024.



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Statement to the board - 11th January 2024 from Andy Hough

I'm going to read this but will send a copy to all directors and committee members.

- 1) Up until very recently it has been a real privilege, and I have really enjoyed, being chair of Lismore Community Trust. I feel we have achieved a lot and there is very real positive potential to take forward some hugely beneficial initiatives for the community e.g. affordable housing, relocation of the shop and other initiatives that might arise from an agreed Island Plan. However, recent events have left me feeling completely demoralised and betrayed such that I have no motivation to contribute any further and, as I have messaged you, this will be my last meeting as a Trust director. I am resigning from Lismore Community Trust with immediate effect.
- 2) By way of hand-over I will summarise the issues and leave the meeting a bag of papers. Further background and summary of contacts etc can be found within the Lismore Trust email, which Anita, the secretary, has access. I apologise for perhaps the sense of bitterness you may feel I present but would ask you consider the impact and gravity of the approach been taken by two directors and the IMB. The IMB is a committee of the Trust which is a Community Benefit Society regulated by the FCA and overseen as a charity by OSCR and is therefore committed to Rules the founding members have signed up to. Paragraphs 180 to 183 of the Rules set out how Directors can use committees and all committee members should adhere to the Rules of the CBS.
- 3) I have been accused by all members of the IMB, which includes two Trust Directors, of bullying and harassment (although not legally defined harassment under the Equality Act) (See paper from IMB in circulation). The committee wanted me to formally resign. I have always expressed a view that I wanted to step back from detailed involvement in the shop if it was purchased; this would allow me focus on other Trust projects. Some initial tensions around the actions and behaviours of the treasurer, were cause for alarm particularly if they came to the attention of OSCR or the FCA. I never formally resigned but an alternative group was formed excluding me was formed, after the surfacing of some tensions linked to irregular practices contrary to our Rules and threatening the status and reputation of the Trust that could affect future projects. When challenged about this I was included. I endorsed the new chair, but wanted to keep in touch with activity that may affect the future projects. Things seem to have escalated from a late-night email response, which of course I regret, I made to Laura which was copied to all. Recognising the offence, I have apologised to everyone and made attempts to contact Laura through phone calls and messages to try and rectify but Laura has been unwilling to engage.
- 4) Through what has been described as an "informal" process to address the issue, IMB have restated the accusation, with seemingly additional examples and have asked I be removed. I believe members of the board have been persuaded to pursue things through the efforts of a particularly manipulative and controlling individual who I previously believed was supportive and claimed to "have my back". I have been prepared to challenge some of the wider disruptive naysayer elements on the island



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who I feel have hindered constructive community development in the past. I also know this can involve robust and challenging exchanges.

- 5) As the chair of the Trust and importantly a volunteer I have been advised there may be little to be gained by challenging the collective views of the IMB. (only lawyers would benefit) despite their actions being in breach of the Trust Rules. Sections 138.10 and 138.11 make it clear an officer can be removed from office by resolution of the board, but in the interests of fairness Rule 139 and 140 set out the validity of such a resolution in 138.10 namely - defining in written form the grounds, giving 21 days written notice, and giving the director opportunity to address the board proposing the resolution. I think members of the IMB are aware of some of my concerns about the Trust and IMBs internal financial controls. and equally the Trust Directors should be aware of some processes, behaviour and actions that could leave it vulnerable to scrutiny with the OSCR and the Financial Conduct Authority. I think the resignation of the treasurer role from both the working group and the Trust are entirely appropriate and could be used as defence evidence if challenge were to be made. I do not want to “trash” the Trust but have been advised I should recommend that all directors, co-opted directors, committee members should confirm that they have a working knowledge of the Rules of the Community Benefit Society. Additionally, directors should confirm the arrangements for financial management are suitable and robust. The Charities regulator suggests completing their review checklist and putting in place an action plan.
- 6) I became involved with the Trust after having joined the housing working group. Peter came to a meeting saying the Trust risked folding but one course of action was the housing group to merge with the Trust.
- 7) I joined as a director of the Trust and was elected chair on 25th February 2022. I very much wanted to take forward the housing units and work with the community to develop a coherent island plan, which would in my view protect and enhance island community minimising the risk of things like school closure, shop and other key services. The idea of community ownership of the only shop and post office on the island came along and I felt I provided the leadership to see the creation of an important community enterprise. The Trust reputation/standing has, I feel been enhanced at community, regional and national level. This improved status has the potential to assist with grant applications, loan approval and is seen as a successful “can do” organisation. The Trust has moved from being an aspiring small charitable body to a significant community enterprise. However there needs to be a realisation among Trust Directors that the governance practices need to be sharpened. There needs to be inscrutable financial controls and consistent adherence to the Rules
- 8) I really do regret the conclusion I feel I have had to reach. Equally nobody is indispensable. I’m particularly saddened that fellow founder members of the Community Benefit Society have not followed the Rules and that they have supported a view that I am a bully and harass. I believe I am self-reflective enough to know I can come across as challenging in a way some find uncomfortable, for which I always seek to make amends but to suggest or imply I intend to cause harm and



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distress to people is very upsetting. I hope you understand how personally offensive these accusations are and while I'm being encouraged to challenge the accusations and processes it is difficult to see a way forward that doesn't further damage individual reputations and ultimately the fragile credibility of the Trust. It may be the Directors didn't know the Rules, but as all will know ignorance is not a valid defence.

- 9) I will formally write to all members and shareholders setting out my position but you will appreciate this is difficult. I want to do this fairly, without unduly undoing the enhanced positive position the Trust has achieved with a wide range of authorities and the most importantly the community.

AB's reply to his resignation sent 11.01.2024

11th January 2024

Dear Andy,

Your resignation submitted in your Statement to the Board sent to all LCT Directors & MB Members this morning, 11th January 2024 at 8.05am

I write as Secretary of Lismore Community Trust to acknowledge receipt of your email and attachment in which you resign from Lismore Community Trust with immediate effect.

It is a great shame that it has come to this. It is not what any of us wanted however we respect your decision.

There is obviously a great deal for the Board to discuss and I will get back to you as soon as possible regarding a hopefully smooth transition.

I would like to thank you on behalf of the Board for all your work and accomplishments during your time on the Board.

Yours sincerely

Anita Bachuil

Secretary of the Lismore Community Trust



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The issue of AH's resignation no doubt comes as a shock to some of you and to some extent requires explanation.

Although we are very conscious that the matter has been resolved within the IMB, and we do not wish to pursue things further, we feel that it is our duty as a committee of the Trust to provide some background to you and to ensure that you all understand the reasons as to why things have reached this point.

AH has been the driving force behind the shop acquisition. He has contributed countless hours towards the success of the project and we all accept that the shop purchase may not have happened without him and for this we are very grateful.

However, on many occasions within the IMB we have found it necessary to informally address AH's behaviour with him directly. This has been due to a pattern of behaviour that has been witnessed by several members and has been totally unacceptable to us. There is a certain level of conduct that we all expect from each other irrespective of position, experience, and knowledge and whilst our policies may still be in draft format, we felt this was something that needed to be addressed immediately to allow the IMB to continue to operate with current team of volunteers.

Unfortunately, informal procedures did not allow the issue to be resolved and consequently the matter was made formal. A resolution was found by following AH's resignation from the IMB, along with an apology to us all.

We would like to draw a line under the issue and return our full focus which remains ensuring the success of the community shop.

However, if Directors of the Trust feel the need to review the circumstances leading to resignation of AH, the IMB will provide all appropriate evidence as necessary used to support our decision in pursuing this matter with AH.

The IMB don't consider it appropriate to openly discuss the details surrounding this matter in a public forum and ask the Trust to consider an appropriate process or forum should they feel the need to review the details.

During the course of the informal and formal procedures, AH advised that he would try to initiate investigations of 'upward bullying' and improper financial practices within the Trust (the IMB to be specific) with OSCR, DTAS and the FCA. Although we would be happy to comply with any such investigation and feel we have absolutely nothing to hide or to be concerned about if any such investigation took place, we believe that to have such scrutiny in such a public way, would very much undermine confidence in the Trust and all that we have achieved thus far.

With this in mind, we feel the appropriate way to deal with any concerns and before such independent bodies are contacted, is for AH to raise them firstly with the Trust such that they may be reviewed after allowing IMB to respond as appropriate to any accusations made. Following this, should the Trust not be satisfied that either matters have not been suitably addressed or concerns remain then self-referral to an appropriate body or bodies be considered.

We truly hope that any issues raised by AH are of a genuine concern and not as a result of any personal breakdown in relationships between members of the IMB and himself.