



BOARD MEETING MINUTES

Date: Board Meeting #072

Present: Sheila Clark, Chair
Sam Marshall, Company Secretary (outgoing)
Andrew Swann, Finance Director
Peter Thomas, Operations Director
Carol Thomas, Company Secretary (incoming)
Michael Odumosu.
Patrick Marshall.
David Wilkinson.
Cath Auty (DIG Nominated Director)

Pam Stansbury, Administrator

Apologies:

Meeting Details: Date Tuesday 17th June at 7:30pm
This meeting was conducted via Zoom and was recorded

MINUTES of the 72nd Meeting of the Board of Directors

The meeting opened at 7:30pm.

1) Apologies for Absence.

There were no apologies for absence.

2) Conflicts of Interest.

There were no changes to the conflicts of interest.

3) Election of Officers

a. **Chair & Vice Chair:** Sam as outgoing Company Secretary took the meeting for election of the Chair. Sheila confirmed she would stand as Chair for a further year; however she requested that a Vice-Chair be elected to shadow, assist and eventually take over.

Carol proposed Sheila Clark as Chair, and David Wilkinson as Vice-Chair. This was seconded by Sam Marshall and approved unanimously.

b. **Treasurer:** Andrew was asked if he was prepared to stand as treasurer for a further year. He confirmed he was, however as he had previously mentioned he felt it important that we look for a treasurer who is closer and more involved with the DIG area. This is particularly important if the company is to be developed beyond FIT cessation.

After discussion it was agreed that the Chair and Vice-Chair, would look at the current shareholders for potential candidates. Andrew advised that with the current set up of the company, the support of Armstrong Watson and Pam, the Treasurer did not need to be a

financial whizz but needed to understand figures. It was agreed that successors would be investigated and that the option to employ a paid role could be considered at the end of the year if needed. There were no current board members who wished to shadow Andrew with a view to replacing him.

Sheila Clark proposed Andrew Swann as Treasurer. This was seconded by Michael Odumosu and agreed unanimously.

- c. **Company Secretary:** The meeting was handed back to Sheila to Chair. Sam had previously indicated that she would step down from the role at the end of the year, unless someone else came forward or wanted to shadow her for her final year.

Carol volunteered to take over as Company Secretary, prior to Sam becoming Secretary, Carol had fulfilled the role, which had only been too time consuming because of the share offers and the lack of admin support. These had now been resolved which should make the role less time demanding.

Peter proposed Carol Thomas as Company Secretary. This was seconded by Sheila Clark and approved by the Board.

It was agreed that Sam as outgoing secretary would do this meetings report, and then formally hand over to Carol effective tomorrow.

4) Approval of Minutes.

- a. The minutes of the meeting of the board, held Tuesday 18th March 2025, had been circulated to the board prior to the meeting. There had been two small grammar corrections from Sheila and Peter. Updated minutes had been recirculated.

David W proposed the minutes for approval. This was seconded by Sheila and approved unanimously by the board.

5) Matters Arising not covered by the agenda.

- a. **BT Powerhouse Update:** Carol reported to the board that the survey had now been completed and had received the purchase offer. They are not charging for the installation, and the price had been agreed. A lengthy email came in today which included a large amount of technical information.

A second electrical socket is required and IES are scheduled to install this in September. There are questions that need to be asked and resolved. The technical email will be circulated to the board, and Carol will go back to BT for clarification on certain items, including the guaranteed access and continuity, which suggests 24 hours, 365 days of connection. If this is the case the option to install a phone line could be discussed to provide a connection for the village in emergency situations.

The board agreed in principle that subject to the right technical answers, that a phone would be added to the powerhouse resources.

6) Interim Board Decisions

- a. **21/04/25 Requested increase in Shareholding.**



A request had been received to increase a shareholding by £1000. This had been approved and had now been completed.

- b. **AGM.** There had been several decisions made by the board in the interim period, that had all related to approval of documents for the AGM, and were not therefore individually noted.

7) Chair's report

Sheila reported that several discussions had been held recently by email, and that this appeared to be working very well.

The AGM had been very successful and had gone very smoothly. She confirmed that the Community Benefit Fund approved amount had now been made and were concluded successfully yesterday.

Pam added an update for the board. As they were aware the AGM update went out to the members the day after the meeting, Pam reported that she had received four or five emails back from members congratulating the Board on the excellent work they had achieved in relation to the CBF, and the benefits that are now being seen in the Community.

Finally, the Chair wished Cath Auty a happy birthday for tomorrow. Carol added that the Chair had also celebrated her 70th birthday last week and wished her a happy birthday as well.

There being nothing further to add the Chair handed the meeting to Sam for the Company Secretaries report.

8) Company Secretary's report

- a. **Shareholders.** There had been no change to the membership figures since the AGM. Following the member updates several members had contacted with small changes to their details. Admin reported that all payments had now been distributed, all new share certificates had been issued and that most of the share statements had been issued. Admin intended to complete those during the week.
- b. **Annual General Meeting.** As noted by the Chair the AGM had been successful and the shareholder update had gone out to all members the following day. The approved documents would be published to the website for members. The minutes of the AGM were not quite completed. Admin requested the board agree to her sending the minutes to Cath and David for proof reading, following that the board would be asked to approve them for upload to the secure members area of the website. This was agreed.
- c. **AR30 and legal compliance.** Sam confirmed that the AR30 had been uploaded before the June 6th deadline. In preparing this year's submission it had been discovered that the 2021 rule amendment had been partially uploaded but not submitted. When she completed this year's AR30 she also uploaded the corrected paperwork for the rule amendment. However, at this point it was discovered that the amended rules had to be witnessed by a solicitor or Justice of the Peace.

The rule amendments had not changed our purposes in any way, having been simply amended to allow Foundation Scotland to manage and distribute the Community Benefit Fund. It was agreed that Sam would complete this process before handing the AR30

work and Mutuals portal over to Carol. If necessary, AED would pay for Sam to instruct a local solicitor.

- d. **G.D.P.R.** Our GDPR had been updated through the ICO. The renewal each year is an automatic renewal as this is a legal requirement. The Data Protection Officer is currently listed as Sam Marshall as Company Secretary. This will need updating to Carol. Admin will take an action to amend.
- e. **Lease Resumption.** Carol reported that we were still waiting signatures from Harper MacLeod. Through her other activities Carol is working with Forestry on a different matter, with a contact called Jim Seaton. Jim advised that our contact, Chris Wheeling retired three years ago. His replacement lasted around nine months. They have recently recruited a replacement who is currently being brought up to speed.

Jim has offered to bring the matter to his attention, and to try to ensure we quick a quicker resolution. Once the lease resumption paperwork is in place, we will be able to forward them to our funders SIS, and tackle Forestry about a better solution to the sinkhole problem.

There being nothing further the Chair thanked Sam for her final report, and thanked Carol for the Lease Resumption Update.

9) Finance report

The meeting was handed to Andrew for the Finance report. Certain items have already been addressed, such as the Community Benefit and Share payments.

Two reports have been issued to the board ahead of the meeting, one monthly and one quarterly. They provide a lot of information, not necessary to focus on however they do show a cash position at the end of May of £465,000. Since then, we have paid out the Community Benefit and the share interest, and we have the tax to go out, which will bring us closer to £275,000. That said provided Dalavich gets some rain the likelihood is we are still on target to have £340,000 in the bank at the year end. The management reports therefore show that despite the loss of generation for a large chunk of the previous quarter, we are still on track.

Pam also distributed a trial balance, which starts with the same figure of £465,000. Andrew drew attention to an issue Pam was working with Armstrong Watson to sort out the rather peculiar presentation used in the trial balance which never applies the accrued interest. We have managed to unravel quite a chunk of this and the loan balance to interest split is correct, but we still have £90,000 of accrued interest to resolve.

Considering our interest is paid quarterly and the quarter interest is about £8,000; we cannot have £90,000 of accrued interest. Pam will continue to work with Georgia to resolve this question.

The most helpful paper distributed however, was the generation report that had been sent earlier in the month. Andrew requested this be sent with the papers for each board meeting, as it showed some very good figures. Those figures show that despite the prolonged period of zero generation in April and May, we're still forecasting some £328,000 of income during the year.

That is down on the £354,000 in the cash flow model, however that doesn't really make any difference to what the model is predicting we can do. We should for example, still be able to come up with Community benefit Fund payments of £100,000 or more every year going forward.

Additionally, if we sign a new contract for the sale of electricity at above 6.75 pence per kilowatt hour, as opposed to the assumptions built into the model of 6.37 pence, we'll be able to hit all the Community benefit Fund payments that are currently in the model. At the present moment, with the current world stage, the chance of being able to sign a contract above 6.75 is probably quite high. Latest figures would suggest we should be getting somewhere between 8 and 9 pence.

We will be looking at the PPA offers towards the end of September, although Pam has an action to discuss with F&S at the end of July, which is when they have said they would begin to quote. F&S like many of them would not quote or make an offer more than six months in advance of the contract renewal date.

Predicting the price we could sell our electricity at is always a difficult task, however with our Feed-In-Tariff we would always be able to cover our costs and still make CBF payments, albeit not at the hundred thousand plus. The Feed-in-Tariff is linked to the consumer price index, so is likely to be higher than budgeted.

Looking at the cash in the bank Pam is currently working with Triodos to set up an interest-bearing account. The options were discussed, regarding the amount that could be placed in a 90-day account, and the potential requirement to need money in a higher. Andrew recommended we place £200,000 in the interest account, which is our reserve figure, and would most likely just sit earning interest. It was agreed that it was unlikely that we would need to withdraw money in a hurry and was more likely that we would add additional funds to the 90-day account. Andrew advised that when full details were known he would circulate a document to the board, make a recommendation and ask for an interim decision to be made.

Carol commented that she envisaged it would remain untouched until 2029 when we completed the payments to SIS and were looking for somewhere to put the money we had previously been paying to our loan account.

Peter added that the most likely foreseeable, unforeseeable event would be a major breakdown, and whilst we would need to react quickly if we for example, had to order a new generator, we wouldn't have to pay for a generator up front.

There being no questions or further comments Andrew handed the meeting back to the Chair. Sheila thanked Andrew for what was both a reassuring and interesting appreciation of our financial situation.

10) Operational report

Peter reported to the board that in March we did 99% of the target, which is what our budget is measured against. In April we did 43%; April was largely dry; it went dry and the generator didn't run until the middle of May.

We had a long dry spell. Despite that, because we rephased our model to try and more accurately reflect the likely weather patterns, in May, although quite low output, although it was dry for a large amount of the month, we hit 112% of target. At the end of that period, we were on 79% of our annual target, January to May.

June has a very low target because June is traditionally dry. It has been raining in Dalavich for the whole of June, and we are currently four times the June target, which makes us 60,000 kilowatt hours over target.

The likelihood is that we will get back to our year-to-date target by the end of June. Although our phasing had the dry weather in June not May, our predicted forecast is there or there abouts.



CINK is booked for service and training in August, and Peter is currently ordering the oil for the service visit.

Peter advised that we are losing a member of the Ops team, Roger Bartholomew, who has been with us since the beginning was moving away from Dalavich and would no longer be able to assist. Peter proposed that the board approve a thank you gift of an inscribed glass and bottle of port be brought as a thank you for his contribution over the last six years.

This was approved unanimously by the board.

Peter has also put out to the team a policy regarding the handling of chainsaws and safety equipment. We have trained chainsaw operatives on the team, and one member who is in the process of moving his grade of chainsaw training up.

This training was costing around £1,300, and Peter proposed that this cost come from operational budget, on the basis that this level of training would mean that even if a tree came down and caused a problem, we would be able to clear it very quickly.

The board agreed unanimously. Peter advised that his own policy was that if an operative asks for training on a piece of equipment that is needed for the job, we should be approving that.

The Chair commented that having that resource within the village was always beneficial.

Peter advised as of today, our generation stood at 81,852 kilowatt hours against the months target of 21,604. Hence of the 80,000 we were down; we have 60,000 of it already in the bank. The hydro at lunchtime was running at 263 kilowatts per hour.

The ops team had done some clearance around the backup take-up point in the river, just to make sure that everything was flowing to the village water supply ok.

There were no questions and nothing further to add. The Chair thanked Peter for his report and handed the meeting to Carol for the Community Benefit report.

11) Community Benefit Fund

- a. **Fund Management Contract.** Carol confirmed that the Fund Management Contract has all now been signed off and is in place and active.
- b. **Fund Strategy update.** The Fund Management Strategy has been worked through jointly between AED and DIG guided by Foundation Scotland. Pam represented AED, and Elle Steele, the Community Development Officer represented DIG. The strategy will come out to the board within the next 48 hours for the board to approve, Carol just needs to confirm the correct version.

There has been a lot of work going on around the wider community on CAP and community discussions. Together with a lot of work within the DIG arena to get their new articles of association through an EGM. Carol did mention that Pam as chair of DIG, managed to do the EGM meeting in two and a half minutes.

The fund strategy will be coming round to the board for approval. There are no major changes, although there is work undergoing to find a way to enable assistance to parents with children under 16. We currently have some very talented young people in the area, who are finding additional training and coaching difficult to organize and expensive.



It is intended to keep the four strands again. Carol anticipates the biggest challenge DIG will have this year, will be finding more funding to enable all the actions to be undertaken. Whilst there has been a significant fund from the River Avich Hydro Community Benefit Fund, the projects proposed will require that DIG finds more funding. The re-write of the Articles of Association had opened several new options for us.

A discussion took place on potential additional sources of funding, as well as potential revenue generating options, together with the new Resilience fund options that were opening. Carol advised that DIG was currently working with Just Enterprise on the feasibility of creating a wholly owned subsidiary company to manage the income generating options for DIG and further discussed the options on discussing with AED the potential to have them handle some aspects that would be more suited to AED's skill set.

There being no questions, and nothing further to add Carol handed the meeting back to the chair. The Chair thanked Carol for her report.

12) Communications

The communications list had been circulated to the board ahead of the meeting. There were no major items to note. Carol had been dealing with the BT correspondence regarding the powerhouse.

One item had arrived today from Isla McCulloch of Community Shares Standard. Pam will forward around the board. They are currently asking for members who had previously attained the Community Shares Mark to complete a survey to help shape the future of Community Shares.

13) Any Other Competent Business

- a. **Members newsletters and Mailing system.** Following the AGM, Pam had received several complaints that some emails did not appear to be delivered. This had turned out to involve an increased security system Mailchimp had implemented. This had caused several of the large mail handlers (Gmail, yahoo, etc.) blocking the delivery of emails.

Following the AGM Pam had used Adobe Creative, which she has for her own business, to create the newsletter and Apple Mail to send the newsletter. This had resulted in no bounce backs as each mail was sent individually under a BCC from Pam's own AED business email address.

Pam therefore asked the board's approval for all future mails to be sent using this method and for permission to close the MailChimp paid account saving the £10 a month fee.

This was unanimously approved by the board.

- b. **Westminster and RWE.** Carol reported to the board on a recent visit she had made to Westminster on behalf of RWE. She had a two-hour meeting with Ministers to speak about Community Benefit and Renewable Energy. The back story is a group of civil servants, Department of Energy Security and Net Zero (DESNZ), have been charged by the government to look at Community Benefit Funds and whether they should be mandatory. They also broached the idea that Community benefit funds should be managed by councils.

Carol had been able to explain to them the hidden benefits, not just to the community but also to other operators. Carol thought the meeting had been worthwhile, and the feedback



from RWE and Foundation Scotland was that the MPs and Civil servants had heard a lot they had not even considered previously and were now of the idea that community benefit need to stay in the communities and not with government agencies.

There were no other matters to discuss.

14) Date & Time of next meeting(s)

The next meeting will be held on Tuesday 16th September. The meeting will be held on Zoom and will commence at 7:30pm.

The Chair thanked everyone for attending and closed the meeting at 9.20pm

Minutes approved at Board Meeting #073 on Tuesday 16th September 2025.

A handwritten signature in black ink, appearing to read "Sheila M. Clark".

Signed by Sheila Clark, Chair.

16/09/2025