

**Draft minutes of VRG AGM held Tuesday 5th November 2024
at the Mayfield Centre, Stirling**

In attendance

Trustee/Directors

David Petch

Dugald McAlpine

Margaret Porter (Chair)

Rob Ferguson (Treasurer)

Brian Young

John Speake

Peter Shand

VRG Members

Morag Holdsworth

Peter Hayward

Christine Arlow

Wendy Evangelisti

Dorothy Breckenridge

Karen Shand

Jean Young

Apologies – Dennis Canavan, Christine Puckering, Alan Findlay, Barbara Wilson, Liz Speake, Allan Bownes.

Proxy vote - Allan Bownes (Morag Holdsworth)

1. Welcome and introductions

- 1.1 The Chair opened the 15th AGM at 8pm.
The Chair welcomed members to the meeting and noted that the meeting was quorate.
- 1.2 Approval of 2023 AGM minutes.
- 1.3 Amendments. Liz Speake was at the 2023 AGM. **ACTION HB** update 2023 minutes.

The 2023 minutes were approved with the above amendment. They were proposed by BY and seconded by PS.

One proxy vote was received. Allan Bownes nominated Morag Holdsworth.

2.1 CHAIR'S REPORT

1. TRUSTEES / ADMIN:

- a. Since the previous AGM and until the Spring there were nine trustee directors Christine Puckering, David Petch (sn), Jenny Holdsworth (secy), John Speake, Dugald McAlpine, Peter Shand, Brian Young, Rob Ferguson (treas) and myself.
- b. In the middle of the year Jenny Holdsworth resigned as a trustee director due to pressure of work and other commitments, etc, but remains in place as company secretary until someone else is appointed.
- c. In behind the scenes is Helen Bang our admin assistant, who keeps us on track and ensures continuity year on year in a very professional manner.

2. AIMS & OBJECTIVES:

The foremost aim is to distribute windfarm community benefit money fairly and openly. The Strategy Document that we currently work to, and which is viewable on the VRG website, contains our ambitions for the coming 4 years. Our stated Vision is - *'For everyone in our community to experience an improving quality of rural living. For this to be delivered through community-wide and individual projects, supported by community benefit income, and distributed through a fair and transparent process'*.

So how is that achieved?

- a. Through a long established but constantly updated system of grants, which is openly and fairly distributed.
- b. Through a programme of Community-wide events.
- c. Through regular woodland activities and free wood-fuel provision.
- d. And through encouraging local Community groups to form, focussing on what is important to them.

All these are mostly organised by subgroups headed by a VRG trustee and consist of other trustees plus members or other residents who wish to take part.

3. ENERGY EFFICIENCY PROJECT:

The Energy Efficiency Project is a key focus for the Board for two primary reasons: -

- a. The cost of heating homes has increased hugely.
- b. The need to reduce our carbon footprint to help reduce global warming effects.

By focussing on this we can help to reduce household running costs while doing our bit for the national global warming response effort.

We have so far achieved the following: -

- a. Carried out a community survey of property ages / construction and energy types / costs.
- b. Appointed a specialist EPC surveyor to carry out enhanced EPCs of those properties surveyed.
- c. Carried out 62 enhanced EPCs (EPC+).
- d. Appointed an architect to work alongside the surveyor to provide a hand-holding service to properties that wish, and that have undertaken an EPC+.

4. COMMUNITY HALL:

An ongoing project is the building of a Community Hall at the Woodland site. Progress on this continues to be not as fast as we would like but this time next year..... we hope to be sitting in the new structure.

5. EVENTS:

A key element of our strategy is creating opportunities for members and other residents to come together for specific purposes or just to be sociable. This year there have been – a Flower & Produce Show and BBQ, and a Pomona Apple Day, not forgetting various Woodland events, eg. 6 Wood fuel days, various woodland maintenance days including tree planting / Sitka bashing / path work / removing tubes, Pick your own Christmas tree sessions, several Bio Blitz sessions, etc.

6. COMMUNICATION:

Keeping in touch with the community is an important strand. This is done mostly by means of quarterly newsletters, regular Facebook posts, our website and just by speaking to people. The numerous events we have also provide many opportunities for this.

7. GRANT SCHEMES:

A key mechanism for redistributing community benefit funding is by a range of grants available to individuals, households and community groups. We hope that these schemes are both creative and responsive. This is the current list.

- a. Energy Efficiency
- b. EBikes
- c. Warm Up / Costs Down
- d. Young Persons'
- e. Bursaries
- f. Get the Valley Growing
- g. New Ventures
- h. Community Groups

It should be noted that some grants are so popular that they become fully committed within a short time of being offered, eg. Energy Efficiency and more recently Children and Youth Persons grants. They have to be temporarily closed as a consequence. The grant schemes all work to a budget.

8. INCOME STREAMS:

Community benefit from windfarms is what allows us to do what we do. Without that we wouldn't be here.

- a. It comes from the Craigengelt windfarm (Scotia Wind / Engie) and the nearby Green Earth Energy turbine, plus Earlsburn and Kingsburn windfarms which are both Nadara owned (formerly Falck then Renantis).
- b. In the pipeline are other windfarm developments. We have been negotiating and reached agreement with Wind2 regarding its proposed Drummarnock scheme and have just heard of a possible other one on Cairnoch Hill.

As windfarms were originally built with a 25 years' life expectancy and therefore a similar Community Benefit time, it was thought prudent a while ago to build up an investment fund using surpluses to provide a legacy fund for the post 25 years period. Indications now are that windfarms will be re-winded beyond the first 25 years and that Community Benefit contracts will be extended into the re-winded

phase. The need to maintain a legacy fund may not, therefore, be deemed just so necessary.

In addition to Community Benefit payments, we have been successful in pitching for a £10,000 'Call for Projects' grant from Nadara / Renantis to enable us to expand our EPC+ Energy Efficiency Scheme to more households.

We also have some membership income from new VRG members, though at a life-time fee of £3 that's not going to greatly influence expenditure.

Nb. Not all our income goes into the one spending pot. Putting it simply, what funds come in do so with or without restrictions imposed by the operator. Restricted funds (principally from Nadara) can be spent on schemes that are Community wide in nature, eg. The Woodland, Woodfuel scheme, Community Hall, EPC+, etc, and administration. Unrestricted funds (from Scotia Wind / Engie, Green Earth) can be spent on grant payments to individuals or households, eg. Energy Efficiency, Warm Up / Costs Down, etc. All this makes for some extra complications in budgeting, and frustrations in spending.

9. MORE FINANCIAL MATTERS:

You'll hear a lot more about this shortly. However, suffice to say, that matching the current income streams to multiple expenditure strands, takes a lot of keeping track of. Rob Ferguson is the VRG treasurer, a role he fulfils very efficiently and in a manner that leads us to believe he actually enjoys it.

10. PROFESSIONAL SERVICES & ADVICE:

AAB, formerly French Duncan LLP, are our accountants. Brewin Dolphin manages our investment fund. Burness Paull provides legal advice with Keegan Pennykidd providing insurance services. Apart from those, you all provide us with lots of welcome advice.

11. MEMBERSHIPS:

We have membership of DTAS, the Development Trusts Association, CWA the Community Woodland Association, and SVE Stirlingshire Voluntary Enterprise, all of which provide useful information and not least of all networking opportunities.

12. So that about covers an overview of the past year.

2.2 **Vote on the Chair's Report.**

JS proposed, DP seconded the Chair's Report.

3. **Treasurer's Report (RF)**

3.1 VRG's financial assets as of 30 June 2024 were just under £100K. We are spending almost all the income received, this is why we have closed the Energy Efficiency and Young persons' grant schemes as the budget allocated to them had been committed.

The Woodland valuation increases every year. It is a book value generated by the accountants. We now also have a wood fuel processor, a cabin, a chainsaw and a container to store the processor. Just under £20K of assets in this kit.

The Investment Fund is at about £500K.

Total assets £841K. Increase on the previous year and the year before that.

(Income for the year from table). The restricted and unrestricted funds are each roughly half of income.

£13K of investment - income from investment fund or bank interest. Bank interest is drawn down and used as part of unrestricted funds. The investment fund is reinvested. It is earmarked for the Community Hall.

£74,100 Unrestricted funds - individual grants,
£70,840 Restricted funds - community wide projects.
£144,940 total

We have used some of our reserves in order to fulfil grant commitments.

Admin - postage and stationery has reduced owing to AGM paperwork going online. Clerical costs increase slightly as clerk's hourly rate reviewed each year. Legal and professional fees have reduced as more work was done the previous year

Trustee liability insurance. This is a new policy to cover trustees as VRG is now handling very large sums of money on behalf of the community.

Consultancy - Energy Efficiency EPC+ surveys and event at the woodland £15K

Grant schemes. Last year we paid out over £70K which ate into reserves. We now have a budget cap for each grant. Bursaries - eight students are currently being supported.

Energy Efficiency grants were £25K. This year the £40K budget was spent within the first two months of opening in July. It is a mark of success but also shows the hunger in the community to upgrade homes to new standards of energy efficiency.

Young persons' grants - the £4000K budget has been allocated for this year.

Get the valley growing is slightly down as many residents have already obtained raised beds, greenhouses etc.

Warm up/costs down - this has reduced as many residents have purchased air fryers etc. However residents who had never applied for grants before took advantage of this scheme.

Ebikes - uptake has varied over time.

Community Groups - £7000 largely to do with the chainsaw training scheme and the maintenance on the defibrillators. This is now funded via the restricted fund.

New Start - initially we were successful in obtaining additional Falck funding. There has been no interest in projects recently.

Total expenditure on grants £55,572. It was over £70K in 2022-23

Community events - £9K for Residents' Picnic. Similar for Flower and Produce show in August 2024.

Pomona Apple Day - slightly over £2K this year.

£11.5K on Community Events.

Community Hall. By 30 June we were halfway through the approval process. Site approval, design team to planning application. We have paid approx £11.5K from the restricted fund. Once final approval is obtained, the moneys spent through the restricted fund spent on fees etc. will be drawn down from the investment fund and the restricted fund will be refunded.

Woodland: Accessible footpaths, woodland work involving wood fuel days, also purchased the wood fuel processor. £42K in capital investment last year. This year it is down to £9K.

£32K invested in Woodland as opposed to £71K in previous year.

No transfers into Investment Fund this year. The Fund has increased by approx 12% over the past 12 months. The amount will reduce if the Community Hall is approved.

Re-winding. There may be a period where turbines are being replaced where community benefit is now being paid and we will have to draw on reserves to keep activities going.

Income. Payments are received on 31 March and 30 September from Engie and in April and May from Nadara.

Questions: Hilary Rawlinson asked if some grant budgets could be reduced so that more funds could be made available for Energy Efficiency grants. RF explained that the budgets were based on previous years, in discussion with the grants' subgroup. Most other grant schemes have fairly modest budgets.

Peter Hayward asked about the innovative thinking required regarding the future moneys anticipated from new windfarms coming online.

RF - firstly we are trying to get the best deal for our community. We are competing with neighbouring communities but we feel we bear the brunt of windfarms in the area.

Secondly we have worked hard to ensure the moneys are paid directly to us instead of an intermediary Foundation Scotland. This forms a substantial part of the investment fund. We are also trying to ensure that funds are unrestricted so we can allocate as we feel fit.

Wendy Evangelisti - are new windfarms more amenable to moneys being unrestricted? RF we have spoken to the Earlsburn Extension, Drummarnock - we have them signed up to a deal for 47%, and Shelloch. The latter has changed hands. We had an agreement with the previous owner but are beginning a negotiation with the new developer.

Unfortunately, it is an ongoing battle with the windfarms and the communities.

MP there is a survey to do with what should happen to windfarm community benefit. It alludes to the fact that one option is that it does not go to the host community but is more widely distributed throughout Scotland. It is currently £5K per megawatt generated. MP will circulate information on this as it becomes available.

Brian Young one reason we have the surveyor and architect involved in follow up to the EPC+ surveys is so that people spending a lot of money on improving their housing have access to other grants and loans as well as potential grants from VRG.

The Chair thanked RF for his report.

David Petch proposed and Wendy Evangelisti seconded the accounts. Approved Accounts will be uploaded to the website once they are signed. **ACTION RF/HB**

4. Resignations

- 4.1 Jenny Holdsworth has stepped down as Company Secretary. The Board will discuss a replacement at the December Board meeting.

5. Election of Officers

- 5.1 Alan Findlay has applied to be a trustee/director. Margaret Porter proposed. Jean Young seconded. **ACTION MP** to advise AF.

6. AOB

- 6.1 There was no other business.

7. Closing address

- 7.1 Hopefully this gives a good overview of the work done during the year. The trustees do their utmost to get the best value for the money VRG manages for the community and think long and hard before taking decisions. The Chair thanked everyone for attending.

8. The meeting closed at 9:10pm and was followed by a short presentation on the Community Hall.

9. ACTIONS

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| 1.3 | Amendments to 2023 minutes | HB |
| 3.1 | Signed and approved accounts to website | RF/HB |
| 5.1 | Advise Alan Findlay on election as trustee /director | MP |