

Minutes



STEERING GROUP MEETING

7.00 pm 24th November 2011 – Strathglass & Affric Community Hall

Attendees:

Andrew & Tanya Castell, Erik Trelfer, Mary Brook, Robin Sproull, Anne MacDonald, Bill McDermott, Mike Girvan and Norman Ross (as observer)

Apologies: Neil MacInnes, Bruce Nelson, & Peter MacDonald

Agenda topics

Minutes of Meeting 27th October 2011

Discussion: the minutes of the previous meeting were agreed and signed. The action log was reviewed and updates added.

Current Situation

MG

Project Progress –MG outlined the progress: The Co-op Bank loan had now been approved by the Preliminary Committee. The application has gone through the 1st and 2nd Stages and is now in the final submission stage. Mike had originally indicated December in the Project Time Line for financial completion but, it is now more likely to slip into January.

The wayleave agreements had not been issued by SES but MG was chasing this up.

Co-op wanted a bigger company to be involved in the road work so MG is negotiating with a Welsh company with an office in Inverness who could be prepared to do the work at an acceptable cost if they also get the work for the turbine bases. Enercon approval would also be needed as whilst this company has already built over 150 turbine bases, none of them were for Enercon turbines.

Agrilec are doing the electrical and MG met with them on Tuesday. He also had a site meeting with one of the sub-contractors who had dug test holes to check ground sub-strata..

Enercon have made a start on writing up the contract. Site electrics, turbines and turbine bases will all come under the Enercon Warranty. Cabling will be adopted by SSE and Roads will be CEL's responsibility for ongoing maintenance (not construction).

MG was reminded that Soirbheas Trading Ltd will need to be either a joint insured or to have their interest noted on the Insurance policy to be arranged by Bruce Stevenson and the board would like to see the proposed policy wording when it is available.

Documents to meet the planning conditions have been provided to Soirbheas by MG including the protected species mammal survey but TC has not yet reviewed these. SEPA have raised some queries about culverts to which MG has responded verbally and he has also answered queries about peat management to SNH.

CEL has been working closely with RSPB to meet their requirements, the most recent. The Lease Agreement has been returned by them but there are still a few queries to be resolved to ensure there is a workable approach agreed. MG to meet with RSPB next week to try and finalise matters. BP are

also involved as they provided finance to the RSPB to purchase the site originally so there will be a need to run it past their lawyers too.

Girvan Enterprises will no longer have any formal role in the construction phase.

There was some discussion around how the triggering of the lease options and whether CEL would need to own the land for all 5 turbines. However this needs to be discussed with the lawyers as it is not certain yet how the bank's security owned by Soirbheas will be documented.

ACTION: MG to talk to Enercon about how their warranty will cover two entities & Ensure Bruce Stevens are aware ST interest will need to be noted on the policy/or joint names when the insurances are arranged. Provide documentation pack given to the bank to Soirbheas in case copies needed for VAT or SIS. Resolve how the Coop Bank will want the lease agreement to be structured given that the funding is being channelled through CEL.

Finance

TC

Big Lottery –it was agreed that BLF funding was extremely unlikely to materialise in time for the project and we should formerly withdraw our application.

SIS – TC met with SIS who have said that their decision will be made by the end of the month on which projects will be going forward to the Investment Panel. We should hear next week or early the following week. They will only put forward projects to the panel for which they have money. They wanted more information to gauge community benefit from our project. We need to keep in mind whether this and other funding will count as State Aid – there is a limit on how much public money can go into a private project. It was not clear how the Coop due diligence process would work with SIS and TC agreed to follow up when we knew if our application was being taken forwards.

Inner Moray Firth – 25-30% of costs for professional fees could potentially be funded by them. AM has applied for £20,000 towards fees and has received encouraging responses so far. We would need to re-cast some of the fees between this and the CES funding should we be successful. Also AM had spoken with Councillor Davidson who is willing to consider allocating some of Ward Discretionary Fund to us – this could be another £10,000 or so. AM had applied to the Climate Challenge fund but it is unlikely that Soirbheas is eligible.

Leader – AM is waiting to find out whether an off-cycle application would be accepted as the next round is not till February which would be too late. **Action: AM to follow up**

Highland Opportunities – this is a small business grant loan (5% interest) from local authority. However the amounts were small so in the end it was decided not to pursue this yet. This may have Leader money within it so will need to be aware if Soirbheas submit a formal Leader application.

CARES – Community & Renewable Energy Loan – for project development only (not capital costs) to be considered depending on what other funding is available and how much of the development costs is covered.

SCVO – funding via Preference shares – TC to follow up **ACTION: SCVO and CARES follow up and withdraw BLF application.**

Private Donations – a list of possible patrons had been drawn up some time ago with a view to approaching them for donations. These could be made on a charitable basis via Soirbheas. AC outlined a more tax efficient route for higher rate taxpayers by way of a Debenture. **AC to draft letter**

Bank Balance – Mary advised balance was currently £246.30. now paid. Further draw down from CES awaited

VAT – Mary had submitted the paperwork for Soirbheas Trading Limited VAT registration and has been sent another 7 page form from VAT wanting lots of detailed information about the company. It was agreed we should ask Scholes for a quote to undertake our VAT application as they will have a better idea of what information will satisfy the HMRC that STL is a legitimate business. It was felt we should also ask Scholes to estimate their charge to do the VAT claims as well. **ACTION: MB to contact Scholes for estimates**

Legal Representation

Andrew C

Loan agreement between CEL/ST will need to wait until CEL/Co-op financial agreements in place although because the terms will be mirrored, ST will need to be involved in those negotiations. MG's Solicitors WJM/Ken Long wants to hold off drafting the shared infrastructure agreement between CEL and ST until the SIS funding has been confirmed. However there is a concern that given the highly bespoke and unusual nature of this agreement, it could take some time to iron out. AC and TC are meeting Andy Drane of Davidson Chalmers solicitors to outline the issues to be covered in the shared infrastructure agreement including salient points from the Collaboration Agreement that will need to be considered or revised. MG asked to contact Ken Long to urge them to start work now rather than wait in view of the very tight deadlines we are all working to.

ACTION: MG to contact Ken Long and urge him to start the process.

Community Engagement

Membership: Now at 258 members.

Website – Jim McAuley has issued his first invoice. ET has still to supply minutes for meetings over past year in pdf format. TC working with Jim on improvements to website

Matters Arising and Any Other Business

AC introduced Norman Ross who had come as an observer and possible applicant for ST director. Norman has an accountant background and is finance director of Highlands Airport. We need to establish Authorities for ST directors regarding signing authorities and undertaking dealings.

DATE OF NEXT MEETINGS:

Steering Group Meeting Wednesday 21st December 2011 –7.30pm Balnain Hall

Chairman:



Tanya Castell

Clerk to the Board:



Erik Trelfer

Date: 24/11/12

