
MINUTE

**Shetland Charitable Trust
Council Chamber, Town Hall, Lerwick
Thursday 10 November 2011 at 10.00am**

Present:

W H Manson	L Angus
L F Baisley	J Budge
A T J Cooper	A T Doull
E L Fullerton	F B Grains
R S Henderson	J H Henry
C H J Miller	R C Nickerson
V Nicolson	G Robinson
J H Scott	C L Smith
J W G Wills	

Apologies:

A J Cluness	A G L Duncan
A J Hughson	F A Robertson
J G Simpson	J Budge (lateness)

In Attendance (Officers):

A Black, General Manager - SCT
J Goddard, Financial Controller – SCT
M Anderson, Principal Officer - SCT
M Duncan, Grants Co-ordinator - SIC
L Geddes, Committee Officer - SIC

Chairman:

W H Manson, Chairman of the Trust, presided.

Circular:

The circular calling the meeting was held as read.

The Chairman advised that it was likely to be Sir John Scott's last meeting as a Trustee, and he paid tribute to the work that he had carried out for the Trust and wished him well for the future.

Trustees concurred with applause.

(Mr J Budge attended the meeting)

Declarations of Interest:

Dr J W G Wills, Mrs F B Grains and Mr J H Henry declared interests as Trustees of Shetland Amenity Trust.

Mr L Angus declared an interest as Chair of Voluntary Action Shetland.

Mr G Robinson declared a pecuniary interest in Agenda Item 1 as an employee of Shetland Recreational Trust, and advised that he would leave the Chamber during discussion of this item.

Minutes:

Except as undernoted, the minutes of the meeting held on 8 September 2011 were agreed on the motion of Mrs C H J Miller, seconded by Mr C L Smith:

Sederunt

Ms L F Baisley advised that she had been present at the meeting.

Except as undernoted, the minutes of the special meeting held on 21 September 2011 were agreed on the motion of Mr L Angus, seconded by Mr G Robinson:

Sederunt

Ms L F Baisley advised that she had been present at the meeting.

62/11 – Future Governance of Arrangements of Shetland Charitable Trust

It was noted that the first sentence in the last paragraph on page three should read “Whilst no-one was disputing that the Trust had acted within the law....”

It was questioned if any progress had been made with regard to the decision to hold a referendum. The Chairman advised that this would be on the agenda of the next meeting or, if necessary, a special meeting would be held in advance of the next scheduled meeting. He went on to explain that OSCR had received the papers from the meeting as part of their monitoring regime, and a response was awaited from them before further action was taken. He advised that the content of correspondence with OSCR on the matter had been circulated to Trustees, and circulated copies of the full letter received from OSCR in early October.

He confirmed that preliminary legal advice had been sought by the Trust on the matter of a referendum. Initial indications were that it was dubious whether the Trust was permitted to carry out a referendum, but this advice would be confirmed when a response had been received from OSCR on the matter. He confirmed that, if appropriate, the Trust’s lawyers would be invited to a future meeting so that their advice could be discussed.

Some Trustees expressed their concern that the Trust had yet to action its decision to hold a referendum as a result of waiting for a response from OSCR, and it was questioned why it was deemed necessary to await a response. It was suggested that the Trust should proceed with the referendum as agreed, due to the potential impact of any delay to the timescale.

The Chair advised that he felt it was appropriate to await OSCR’s response in order to guard Trustees against any potential risk should it be the case that the Trust was doing something that was outwith their responsibilities or power. OSCR was aware of the timescales involved and it had been hoped that something could be presented at today’s meeting, however this had not been the case. He did not believe that the delay would be detrimental, and pointed out that a fair amount of preliminary work had already been carried out.

(Mr G Robinson left the meeting during discussion of the following item)

- 63/11 **Recommended Disbursements – Shetland Recreational Trust – Re-disbursement of Surplus**
The Trust considered a report by the General Manager (Appendix 1) and on the motion of Mrs C H J Miller, seconded by Mrs E L Fullerton, approved the recommendation in the report.

(Mr G Robinson returned to the meeting)

- 64/11 **Schedule of Meetings 2012**
The Trust considered a report by the General Manager (Appendix 2) and on the motion of Dr J W G Wills, seconded by Mrs C H J Miller, approved the recommendation in the report.

- 65/11 **Capital Reduction - SLAP**
The Trust considered a report by the General Manager (Appendix 3) and on the motion of Ms L F Baisley, seconded by Mr J H Henry, approved the recommendations in the report.

It was noted that the three Trustees required to sign the documents would be sought from those who were not directors of SLAP.

- 66/11 **Planned Maintenance Five Year Programme Progress Report**
The Trust considered a report by the General Manager (Appendix 4) and on the motion of Mrs C H J Miller, seconded by Mr A T J Cooper, approved the recommendation in the report.

- 67/11 **Management Accounts – Six Months Ended 30 September 2011**
The Trust noted a report by the Financial Controller (Appendix 5).

In response to a query, the General Manager confirmed that advertisements had been prepared inviting expressions of interest in relation to the administration of the Non-Talking Psychological Therapies scheme.

- 68/11 **Recommended Disbursements - Approvals**
The Trust noted a report by the General Manager (Appendix 6).

- 69/11 **Recommended Disbursements – Social Care**
The Trust noted a report by the General Manager (Appendix 7).

- 70/11 **Service Performance of Funded Organisations – Year Ending 31 March 2011**
The Trust noted a report by the General Manager (Appendix 8).

Trustees highlighted the following issues:

Swan Trust

External funding tended to relate to one-off projects and trips. A scheme was operated whereby ‘friends’ of the Swan could make contributions.

Citizens Advice Bureau (CAB)

The CAB was congratulated on exceeding all but one of its targets, and at the level of funding it had succeeded in bringing into Shetland as a result of its welfare rights work.

Shetland Befriending Scheme

It was suggested that further discussions should take place with the Befriending Scheme, as it was currently unable to meet the demand for its services.

Shetland Churches Council Trust (SCCT)

Given that some religious organisations were reviewing their property portfolios, it was suggested that grant conditions should be in place so that church buildings had to be retained for a period following the grant award.

The General Manager agreed to investigate this and ensure that conditions were in place regarding a retention period or payback period, as was the case with other similar grants.

Dr J W G Wills expressed concern regarding the possible use of Trust funding to promote Christian knowledge, and that this may be seen to be favouring one religion over another. He therefore moved that SCCT be invited to a future meeting of the Trust to discuss how they spend their grant funding.

Mr G Robinson seconded.

Some discussion took place as to whether this discussion should be held in public or private. Dr Wills confirmed that he had no problem with this discussion being held in private should this be requested by SCCT.

The General Manager agreed to establish which religious bodies were represented on the SCCT.

Some discussion also took place regarding the policy relating to retention of funds by funded organisations. It was suggested that it was important that this policy did not act as a disincentive to securing external funding. It was pointed out that organisations were encouraged to seek external funding, and that this tended to be used to provide additional services. The Chairman advised that organisations should not be using funding to accumulate reserves, and that the Trust was sympathetic to organisations that may be experiencing difficulties, or wish to retain some of their funding for specific purposes.

In response to a suggestion that all organisations should be encouraged to present their information in the same format, the General Manager advised that it had been agreed that this should not be too prescriptive. This was in recognition of the fact that funded organisations often had to report performance information elsewhere, and there was no desire to create additional work for them by requiring them to comply with a different format.

71/11

Fund Manager Transactions

The Trust noted a report by the Financial Controller (Appendix 9).

In response to a query, the Financial Controller explained that it was possible for the Trust to invest in commodities as well as equities. However as this market tended to be volatile, more expensive specialist advice would be required.

It was suggested that this matter should be included on the agenda when the Trust next considered its investments.

Concern was expressed by a Trustee that the Trust did not have an ethical investment policy, particularly as some organisations were now re-examining their attitudes to ethical investments.

(Mr R C Nickerson declared an interest in the following item as a Director of SHEAP but advised he would not leave the Chamber as the report was for noting only)

72/11

Northern Isles New Energy Solutions, 'NINES'

The Trust noted a report by the Financial Controller (Appendix 10).

The Financial Controller summarised the main terms of the report, advising that the District Heating Scheme (DHS) had now reached capacity. The NINES project had the potential to allow the DHS to expand by using a new thermal store, but further financial modelling would be required before a report regarding further investment by the Trust could be presented to Trustees.

In response to queries, he advised that there was also potential for smaller renewable generators, such as village hall wind turbines, to connect to the "smart grid" and sell electricity. Some Trustees highlighted the future potential of the projects illustrated in the report, particularly in helping to reduce fuel poverty, and it was noted that Shetland was being used to help test and develop new technology.

73/11

Capital Works Bridging Loan Scheme Progress Report

The Trust noted a report by the General Manager (Appendix 11).

It was noted that the Scheme had enabled external funding in the region of £1.2 million to be secured.

In order to prevent the disclosure of exempt information, Mr W H Manson moved, Mr G Robinson seconded, and the Trust resolved, in terms of the relevant Regulations, to exclude the public during consideration of the remaining items of business.

(The media and public left the meeting)

74/11

List of Deeds Executed

The Trust noted a report by the General Manager.

(Dr J W G Wills left the meeting)

75/11

Loans to Local Industry
Agricultural Loan Scheme
Changes Agreed Under Delegated Authority

The Trust noted a report by the Financial Controller.

76/11

Sums Due But Unpaid Over One Month Old as at 30 September
2011

The Trust noted a report by the Financial Controller.

The meeting concluded at 11.10am.

CHAIRMAN