
MINUTES**Public**

**Shetland Charitable Trust
Room 12, Islesburgh Community Centre, Lerwick
Thursday 28 May 2015 at 10.00am**

Present:

M Bell	A Cooper
R Henderson	B Hunter
K Massey	P Malcolmson
A Manson	I Napier
J Smith	A Westlake

Apologies:

A Duncan	T Morton
D Ratter	J Wills

In Attendance (Officers):

A Black, Chief Executive - SCT
K Eunson, Accountant - SCT
E Mainland, Administration Manager – SCT
L Geddes, Committee Officer - SIC

Chair:

Mr Hunter, Chair of the Trust, presided.

Circular:

The circular calling the meeting was held as read.

The Chair welcomed the new Trustees to their first meeting. He went on to advise that Mr Morgan had recently resigned as a Trustee, and thanked him for the work he had carried out during his time on the Trust.

Declarations of Interest

Mr Smith declared an interest in Agenda Item 10 “Capital Works Bridging Loan Scheme” in relation to Aithsvoe Marina.

Mr Henderson declared an interest in Agenda Item 19 “Loans to Local Industry – Sums Due But Unpaid Over One Month Old as at 30 April 2015”.

Mr Massey and Mr Bell declared an interest in Agenda Item 18 “Shetland Heat Energy and Power Limited”.

Minutes

The minutes of the meeting held on 26 March 2015 were confirmed on the motion of Mr Smith, seconded by Mr Massey.

25/15 **Financial Plan 2016/17, 2017/18, 2018/19, 2019/20**

The Chief Executive presented a report to the Trust (CT1505022) which set out the financial plan of the Trust for the coming four-year period in order to meet the long-term financial strategy.

It was commented that whilst it was desirable to have a plan in place, it was important that it did not constrain the Trust in order that it could retain the ability to deal with changing circumstances in the future.

The Chair pointed out that the financial strategy would be considered annually to ensure it was still relevant, and that it would be fully reviewed in 2019/20.

Responding to a comment that it was important that the Trust adhered to its principle of self-sustainability, the Chief Executive confirmed that reduction of expenditure to £8.5million per annum, as outlined in the report, reflected this principle. The Trust was currently spending more than it earned.

On the motion of Mr Smith, seconded by Mr Henderson, Trustees approved the recommendation in the report.

Decision:

The Trust approved the financial plan set out in the report.

26/15 **Shetland Recreational Trust – Retention of Surplus Funds**

The Trust considered a report by the Chief Executive (CT1505023) which sought Trustee approval of the retention of surplus funds totalling £134,176 by Shetland Recreational Trust (SRT).

The Chair advised that SRT's reserves had built up as a result of its own trading activities, and did not relate to funding received from the Trust. It was proposed to use the surplus funds to improve facilities, which should help generate more income for SRT.

In response to a query as to how it was possible to distinguish whether or not the surplus funds related to funding that had been received from the Trust, the Chief Executive advised that SRT submitted its management accounts to the Trust, and these highlighted the sources of income under various budget headings.

It was questioned if any of the surplus funds would be used for the creation of new facilities as a result of the new Anderson High School (AHS) being built at Lochside and, if so, whether the costs should be falling on the Trust.

The Chair advised that because the AHS would be using some of the Clickimin Centre facilities, SRT was taking the opportunity to expand its own infrastructure. The Council was wholly funding the additional facilities that were required at the Centre as a result of the school being located there.

In response to a query as to whether other organisations making a request to retain their surpluses would be treated in a consistent manner, the Chair advised that the surplus was being retained for a specific purpose and other organisations in the same position would be treated the same.

On the motion of Mr Henderson, seconded by Mr Bell, Trustees approved the recommendation in the report.

Decision:

The Trust approved the request from SRT to retain funds of £134,176, which is above the permitted level in the Reserves Policy, for the purposes outlined in paragraph 3.5 of the report.

27/15

Shetland Churches Council Trust – Retention of Surplus Funds

The Trust considered a report by the Chief Executive (CT1505024) which sought Trustee approval of the retention of funds totalling £12,738 by Shetland Churches Council Trust (SCCT).

The Chair advised that due to the demand on the construction industry locally, it had not been possible for SCCT to receive competitive tenders for work. It was expected that there would be an increase in applications in 2015/16, and therefore it was requested that the surplus be retained for 2015/16.

On the motion of Ms Manson, seconded by Ms Westlake, Trustees approved the recommendation in the report.

Decision:

The Trust approved the request from SCCT to retain the funds of £12,738. However, should the funds not be spent by 31 March 2016, they must be repaid to the Trust.

28/15

Adoption of New Financial Regulations

The Trust considered a report by the Chief Executive (CT1505025) which sought the adoption of the Trust's Financial Regulations which have been redrafted to reflect the new governance arrangements of the Trust.

It was noted that the Regulations had been presented to the Audit and Governance Committee, and it had been of the view that the Trust was well-placed to adopt the Regulations.

On the motion of Ms Manson, seconded by Mr Henderson, Trustees approved the recommendation in the report.

Decision:

The Trust approved the Financial Regulations attached as Appendix A to the report.

29/15

Management Accounts – Twelve Months Ended 31 March 2015

The Trust noted a report by the Chief Executive (CT1505026) which presented the Trust's Management Accounts to the end of March 2015.

Decision:

The Trust noted the satisfactory financial performance to 31 March 2015.

30/15 **Trustee Attendance at Meetings in the Year to 31 March 2015**

The Trust noted a report by the Chief Executive (CT1505027) which presented Trustee attendance at Trust Meetings in the financial year to 31 March 2015.

The Chief Executive acknowledged the contribution from Trustees at meetings outwith the formal Trust meeting.

Decision:

The Trust noted the contents of the report.

31/15 **Payments to Trustees in the Year to 31 March 2015**

The Trust noted a report by the Chief Executive (CT1505028) which presented payments made to Trustees in the year to 31 March 2015.

Decision:

The Trust noted the contents of the report.

32/15 **Fund Manager Transactions**

The Trust noted a report by the Chief Executive (CT1505029) which provided details of Fund Manager transactions between 1 February and 31 March 2015.

Decision:

The Trust noted the contents of the report.

33/15 **Recommended Disbursements - Approvals**

The Trust noted a report by the Chief Executive (CT1505030) which presented the recommended disbursements approvals.

Decision:

The Trust noted the approvals listed in paragraphs 2.1 and 3.1 of the report.

34/15 **Capital Works Bridging Loan Scheme**

The Trust noted a report by the Chief Executive (CT1505031) which provided an update regarding the Capital Works Bridging Loan Scheme.

It was noted that it was now included in the conditions that organisations should acknowledge the assistance received from the Trust.

Decision:

The Trust noted the contents of the report.

In order to prevent the disclosure of exempt information, Mr Hunter moved, Mr Bell 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 left the meeting)

35/15 **Recruitment of Appointed Trustees**

The Trust considered a report by the Chief Executive.

After some discussion, Mr Smith moved that Trustees approve the recommendation in the report.

Ms Westlake seconded.

Decision:

The Trust approved the recommendation in the report.

36/15 **Revenue Grant Scheme – Amendment to Qualification Criteria**

The Trust considered a report by the Chief Executive.

On the motion of Mr Henderson, seconded by Mr Smith, Trustees approved the recommendation in the report.

Decision:

The Trust approved the new recommendation in the report.

37/15 **Planned Maintenance Programme**

The Trust considered a report by the Chief Executive.

On the motion of Mr Massey, seconded by Mr Bell, Trustees approved the recommendation in the report.

Decision:

The Trust approved the recommendation in the report.

38/15 **Shetland Arts Fund Grant Aid Scheme**

The Trust considered a report by the Chief Executive.

On the motion of Ms Westlake, seconded by Mr Henderson, Trustees approved the recommendation in the report.

Decision:

The Trust approved the recommendation in the report.

39/15 **Bus Service for Elderly and Disabled**

The Trust considered a report by the Chief Executive.

On the motion of Mr Malcolmson, seconded by Ms Westlake, Trustees approved the recommendation in the report.

Decision:

The Trust approved the recommendation in the report.

40/15 **Senior Citizens Grants Scheme**

The Trust considered a report by the Chief Executive.

On the motion of Mr Malcolmson, seconded by Mr Smith, Trustees approved the recommendation in the report.

Decision:

The Trust approved the recommendation in the report.

41/15

Budget 2017-2020

The Trust considered a report by the Chief Executive.

The Chair outlined the main terms of the report, and the Chair and the Chief Executive then responded to questions from Trustees.

After some discussion, Mr Smith moved that Trustees approve the recommendation in the report, and Ms Westlake seconded.

Dr Napier moved that Trustees send the report back for further consideration by officers of the Trust, and Mr Malcolmson seconded.

Voting took place by show of hands, and the result was as follows:

Amendment (Dr Napier)	5
Motion (Mr Smith)	5

The Chair used his casting vote in favour of the motion.

Decision:

The Trust approved the recommendation in the report.

42/15

Shetland Heat Energy and Power Limited

The Trust noted a report by the Chief Executive.

Decision:

The Trust noted the contents of the report.

(Mr Massey left the meeting, and Mr Henderson advised that he would take no part in any debate on the following item)

43/15

Loans to Local Industry – Sums Due But Unpaid Over One Month Old as at 30 April 2015

The Trust noted a report by the Chief Executive.

Decision:

The Trust noted the report.

44/15

Loans to Local Industry – Agricultural Loan Scheme Update

The Trust noted a report by the Chief Executive.

Decision:

The Trust noted the contents of the report.

45/15

Update from Subsidiary Companies

Trustees noted the above update.

Decision:

The Trust noted the update.

46/15 **Update from Chairs of Advisory Committees**

Trustees noted the above update.

Decision:

The Trust noted the update.

The meeting concluded at 11.10am.

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CHAIR