



A meeting of NCDC was held on Monday 26th February 2024, at 7.30pm in the Ollaberry Hall.

Present – Bob McGeady (RM – Chair), Stephen Moore, Bill Manson (WM), Margaret Roberts, Alistair Williamson, James Titcomb, Craig Johnson

In Attendance – Charlotte Anderson, Karlyn Garrick

1. Apologies – None

2. Approval of Minute – Minute of meeting on Thursday 2nd November 2023 were approved by SM and were seconded by MR.

3. Shetland Amenity Trust – Kale Seed Project – Unfortunately SAT were unable to attend the meeting.

Action: CA to get in contact to invite SAT to the next meeting.

4. Nortenergy Update – MR reported the company has a very good understanding of the cashflow and what spending/savings can be made. Savings are limited since there is a real appetite to grow the company. Could market less but would sell less. Heady covid spending is gone, potential customers being more cautious with their spending. Expected to see a reduction last year but is more apparent this year. Cashflow at present is very healthy as is usually the case at this time of year a lot of people buying for the next season. Prices went up in October 2023 due to hikes in material costs. Carly is working with A9 to produce quarterly finance figures to allow more accuracy projecting profit and loss and distribution figures and that will begin in April 2024 and will be reported to NCDC board quarterly. RM asked whether payments could be made to NCDC each quarter to ease the problems around cashflow at the end of the year. MR said this option had not been discussed by the Nortenergy Board so far but may well be something to think about. With all of Nortenergy's profits being paid to NCDC, it depletes Nortenergy of a healthy cash flow which makes it impossible for growth without investment from NCDC which has been happening or deciding to pay some tax and only passing back some of the profits to retain some capital in the business. Nortenergy has spoken to the accountants and other groups in a similar set up with trading subsidiaries but have not found an alternative option. Nortenergy has a £200000 loan from NCDC which is being paid as an interest only payment, paid in November 2023. There was some discussion from NCDC directors of changing part of the loan into an equity investment of around £100000. Maree would like some clarity on whether this is a viable option. RM suggested there should be a meeting with chairs from both NCDC and Nortenergy boards, WM and anyone else who would like to be involved as there are a number of issues Maree has raised and there are discussions needed on the best way to invest in the company. MR added that Nortenergy had met with A9, and it may be useful for NCDC to organise a similar meeting. RM said he would suggest having a joint meeting with A9, NCDC and Nortenergy so both parties can devise a way forward. MR said that if Nortenergy were to make payments of profits through the year, there wouldn't be an opportunity to make that cash generate more business. RM replied that he completely understood that and having quarterly budgets would help. WM said that this kind of discussion around loan repayments was a couple of years to early and it would be worth revisiting 3 to 4 years into the loan. He did think a joint meeting with A9 would be useful. CJ asked for clarity on how the profits passed back to NCDC were decided. MR said the gift aid at the end of the year is determined by the profits from the previous financial year. MR added it would be useful to bring forward the loan repayment, so it is not in the same quarter as the gift aid but that this had not been discussed by the Nortenergy board. WM said a change in date of the loan payment should be easy to do. MR said her final points were that sales tailed off in the third quarter, enquiries have picked up again. English and Welsh markets are slow but are continuing to grow. Maree is doing a business growth course at the moment so is revising the Nortenergy business plan. Maree is proposing to rent the two portacabins at Bruckland to NCDC for £300 a month. RM asked CA if there was any



Northmavine Community Development Company

update on quotes for getting the portacabin reclad. CA said she had emailed John Hughson but hadn't received anything back yet. MR suggested also contacting Raymond Johnson for a quote as well.

Action: CA to set up meeting with Nortenergy, NCDC and A9

Get quotes for cladding and insulating portacabin.

5. Growing Local – CA reported that herself and MR had been working on the funding application to send to Community Led Funding and it was about ready to submit. The project costs are just over £100000 for 3-year project and CA had a meeting with Toby at the National Lottery Fund who thought the project met their funding objectives. CA said she had budgeted for NCDC's contribution to be around 11%. RM asked if that would be cash or in kind. CA thought both. CA added that there is a lot of applications in at the moment, so it is taking a bit longer to get a final decision. MR added there is a bit of a concern with the growing season fast approaching and can't wait for 3 months to get going for this year. CA said that DB has suggested speaking with TotalEnergies about funding. CJ asked what the purpose of the Growing Local project was going to be. CA explained that this was phase 2 learning from the first phase and the idea is to create a veg box scheme and supply local businesses with fresh produce grown undercover and outside. So far there was the big poly at Bruckland, some yards in Eshaness owned by Nancy Johnson, land in Sullom next to the community Polycrub and a lease agreement with Hjaltland for land at Stucca. Surplus would be available in the community fridge. There would be more workshops because they had been really popular in the first phase and also work with the schools. MR added that the first phase engaged with community and got the annual produce show going. There had been some enthusiasm through lock down for growing and selling produce so NCDC had looked to set up an online shop, but this hadn't come to fruition. MR also highlighted the incoming changes tocrofting payments which may see more folk looking for alternative ways to increase their payments. CJ asked if the paid worker could work with people who already have established polycrubs to grow certain crops. MR responded that this had been an ambition for phase 1 but NCDC weren't ready for it but it would definitely be part of phase 2. CA added that she had spoken to a local business owner about what kind of fruit/veg they would be interested in, and they were looking for salad items – lettuce, tomatoes, cucumbers etc. They also said that tourists were really keen to eat locally produced food. MR said NCDC really needed someone who can grow things in the position this time because there are already people in the organisation that can organise things. MR added that another part of the project is to create our own compost and Growing Local had also received a local grant from the Northmaven Community Council to purchase recording equipment and signage for the Be – Nort Da Grind self guided tour.

Action: CA and MR to finalise and submit funding application to Community Led Funding

CA to contact TotalEnergies about potential funding

6. Financial Update – WM reported that NCDC had received around £140000 in December 2023 from Nortenergy and the financial position of NCDC hasn't seen any unexpected expenditure in the past few months. There will be a budget for the next year presented at the next meeting. WM added that the CA had been working on projections for operating costs that would be discussed in the next item on the agenda. RM asked if money had ever been invested in different bank accounts. WM said that it hadn't happened yet because the bank doesn't have a business banking representative in Shetland any more. WM said the interest rate had improved but still wasn't good enough and he was trying to get a date organised for a zoom meeting with the Business Unit. WM said he planned to have a rewrite of the Financial Regulation Policy ready for the next meeting.

7. NCDC Operating Costs - CA had put together what the estimated core costs for the 2023-24 financial year would be and projected costs for 2024-25 that had been circulated to directors prior to the meeting. WM told directors that the costings were how much it cost to keep NCDC going and that some of these costs were essential. The amount paid to the accountants was highlighted as being quite high. WM suggested getting a breakdown of what these costs were for. CA highlighted that there may have been a lot of hours spent on the Hillswick Shop accounts. MR asked if



the core costs presented offset any income other than gift aid. CA confirmed the figures presented were only expenditure.

Action: Get breakdown of costs from Accountant

8. Hillswick Shop - SM said there had been a board meeting a few weeks ago but only two directors attended so it was not quorate. Did agree to have a look at quotes for new chiller units from George Robertsons because the chiller unit is tripping frequently, and it could cause electrical damage. The actual fault looks like it is the compressor unit which is exposed to the elements and is a bit of a disgrace. SM has spoken with JAC to get some more information; the chiller unit is over 10 years old. Not sure if they were bought brand new or not. RM and JT thought they were second hand. SM said the compressor has never been maintained or inspected so it could go at any time. CA has gotten quotes for stand-alone units with no external compressor outside, similar to what is in the Ollaberry Shop. A couple units would cost around £5000. These units would be smaller than the current chiller but after discussion with shop staff it was thought this wouldn't be a problem. There was bit of reservation from some of the shop directors for going for that kind of chiller unit, but SM had discussed this with individuals. There is the possibility of going for a grant of up to £10000. CA added this was the Shetland Rural Retail Services Scheme from SIC which would give up to 75% of the total costs. MR said that someone who can degas the existing unit would also need to be included in the application because Geordie Robertsons do not provide that service. CJ suggested speaking to Robbie Bremner to get another quote. SM said that when previous manager left there was no handover done and Evelyn has taken on a lot of responsibility as best she could. There is a lot of paperwork building up and JAC is struggling for time. MR asked how the shop was going generally. SM said the fear is that anymore staff leave. RM said that Claire and Scott would be taking less hours at the shop with the café reopening. MR asked financially where the shop is. SM said there is a lot of information that he doesn't have visibility of, and this was concerned as chair. He is planning to work with JAC to take over some of the tasks. The increase in living wage in April will be an additional £300 a month. MR asked what was happening around getting a new business plan. CA said that Jeff Gaskell had been in touch about training opportunities but nothing about the business plan. MR added that a quarterly profit and loss should be able to be produced if everything is getting put into the system. SM final point was that someone banned from the shop had been reported entering the premises but there is no way of identifying this because the recording facility on the CCTV doesn't work. WM suggested getting whoever installed the cameras to inspect and either fix or replace them.

Actions: CA to contact Robbie Bremner for quotes, Andrew Grant about degassing and George Robertsons.
CA to contact Jeff Gaskell

9. Weaving Shed update – CA reported that the apartment is filling up for the summer and that there is a creator in residence booked for October/November. Esme is planning to open every Sunday until her summer exhibition from mid June until end of August. The Weavers who were up at Wool Week in 2023 are returning with workshops and an exhibition for Wool Week 2024. CA and KG are hoping to redo the afore da door project as part of NCDC birthday celebrations this year and thought it could be exhibited between Esme and the Weavers exhibition. In the apartment we are liaising with Geoff to get it painted and getting some alterations done including getting new cupboard doors. Reviews are all pretty positive. Also had meeting with Susan Bowie and Pamela Ruddick last week about taking over the South House Airbnb management so planning to do it as a trial over the summer to see how it goes.

10. Old Urafirth School update – CA had received an email back from the Rural Highland and Island Fund and they have now contacted SIC to see if they support the project. RM we need to speed process up a bit as the Scottish Government are looking to reduce the housing budget.



11. Matters Arising –

Johnnie Notions Bod – CA had gotten a response from Environment Health. NCDC would have to apply for a short term license but would not need an EPC. Also spoke with Hazel Sutherland and she suggested doing an occupancy agreement for this season and CA has a meeting with Hazel in Eshaness tomorrow. CA said she would check whether SAT would be looking for rent for the season.

Action: CA to speak with Hazel Sutherland

Stucca- CA had received an email back from pre-planning just before the meeting and he said to send through what Iain had gathered since the last time they spoke and he would advise what was still needed.

Action: CA to speak with SIC

Youth Board – CA will be attending the Brae High School this week along with VAS who will be promoting the Saltire Awards.

Swinister Trees- CA emailed Georgia at SAT who had been doing some maintenance but it is nothing to do with SAT and she had been doing it privately. Would need to look at some funding and actually look at the site to see what is needed. RM said that DB had offered salmon farm walk way. MR asked if there was any path funding. CA said that there are two funding streams from Paths for All that could be applied for. MR asked if the family want to do the work. CA said that she needed to speak to the family again as the croft was getting transferred over but she wasn't sure how far through the process they were yet.

Action: CA to look at funding and speak to the family again.

12. AOCB

Business Group – CA said she had been speaking with Raymond Johnson and he asked if the NCDC website could have a section for contractors and CA had informed him that there was going to be a new business directory on the new site. CA and Raymond also discussed the possibility of setting up a business ring similar to what Orkney has. CA had contacted the Orkney Business ring and was given contact details for someone else in Scotland to discuss setting up. MR said it was good that the community are seeing NCDC having a positive role in that respect.

Action: Setting up meeting about business ring

20th Anniversary – RM suggested having a sit down buffet and invite all current members of all the companies, all the employees and past employees, directors and partners, probably around 60-70 people. MR asked when that would be happening. RM suggested the end of summer late September/ early October. MR asked CA about wider celebrations planned. CA said along with KG they thought about having a tattie soup contest with a supper dance at night, the afore the door project, something similar to Unst Puffin trail but with Trows, something to showcase all the projects done over the years. RM said it was important to recognise the time and effort put in by staff and volunteers over the years.

AGM – RM reminded those present that the AGM would be on Sunday. There was a discussion around what would be on display. RM added that it had been suggested to him that NCDC should try and gather some thoughts on the Christmas voucher scheme.

Brae High School Recipe Book – CA had been invited along to the Brae High School last week for a presentation by S2 Home Economics Class who are creating a recipe book and are looking for some investment. They are looking for £300-400 from NCDC to help with printing costs and they want to donate the profits back to the community fridge and the community cupboard in Brae. Directors agreed to invest £400.



Rural Energy Hub – MR asked if there was any update about the rural energy hub. CA explained there was going to be a main hub in Brae with satellite hubs out with that. There would be funding available for staff time and equipment. MR suggested looking at multipurpose EV with a larger battery to allow for van deliveries and community transport. CA said she had met with Pete Long and Ryan Thompson last week and they were working on a MOU for the project. There was a discussion among directors about rural district heating systems. CJ asked if this was something Nortenergy could investigate. CJ added that in America and Canada they are using agricultural manure to create heated water which is supplemented by wind and solar energy. MR added that anaerobic digestion scheme could have real potential. WM added it would be worth to find out community feeling about larger wind turbines.

Date of next meeting – Wednesday 10th April 7.30pm Ollaberry Hall.