



**Colonsay Community Development Company
Special Board Meeting
Thursday 24th March 2022**

1. Attendance and Apologies

Board members: Andrew Abrahams (AA), Callum Hay (CH), Danny Onn (DO), Sarah Hobhouse (SH), Sue Dance (SD), William Joll (WJ)

Helen Mann, having declared an interest did not attend

Apologies: Liam McNeill

2. Colonsay Campsite

DO thanked directors for attending at short notice, and explained this was a single issue meeting made necessary by the 28th March deadline for accepting the ABC campsite grant.

The terms of the grant had finally been published on 16th March, and circulated to the Board with a paper setting out potential issues, a way forward and recommending grant acceptance.

There followed a detailed discussion – summarising:

- The Board was satisfied that the earlier issues identified around potential conflict of interest and a perceived unfairness to other crofters had been resolved and noted that all the crofters eligible for the grant had confirmed their support for the project and agreement that the grant should be used to develop a campsite on Helen's croft.
- It was noted that although the grant application had been made by Helen directly and had been accepted by ABC on this basis, the terms of the grant published later requires the grant to be paid to CCDC.
- The CCDC Memorandum of Association (2020) includes at clauses 9, 10 and 11 protections to ensure that Directors do not benefit from the assets or income of the company – which in this case could be considered to be the proposed campsite. However, the ABC grant makes it clear that in the event of any sale or disposals, the proceeds would return to ABC. Ownership is thus vested in ABC not CCDC, so these clauses do not apply.
- Clauses 99-106 of the Memorandum (Personal interests) and 107-119 (Procedure at directors meetings) were also checked to ensure that correct procedure had been and was being followed, and that the grant could be accepted. It was agreed that it could, in particular with reference to clause 101 which governs how a Director would not be debarred from an arrangement with CCDC in which they have a personal interest provided proper procedure is observed.

Having agreed in principle that the grant could be accepted there then followed a general discussion around what should be included in the agreement between CCDC and Helen to develop and operate the site – this was equally important. It was noted that planning approval was pending (but based on earlier work was expected to be approved) and this would provide some time to work out the details, including:

- “Pass-through” of all the key ABC grant conditions to Helen
- Special short term CCDC banking and accounting arrangements to be set up while the site is developed, to provide transparency and an audit trail for how the grant is used
- CCDC may want to review croft rent once site established – improved site
- Review options / provide indemnity insurance for CCDC if possible
- Check / review potential CCDC VAT and cashflow issues during development phase & take action as necessary.

The meeting concluded with the Board formally agreeing the recommendations in the report:

- to accept the ABC grant on the conditions described, and enter into an agreement with Helen Mann to develop a campsite on her croft
- Delegate authority to the Projects Director to complete the agreement taking legal and other advice as necessary, subject to final authorisation and agreement by the Board.

AOB.

None.

DONM

The next monthly meeting will be on 12th April at 7pm, as planned