



Main Committee Meeting Minutes 08.05.2018

	Topic	Information	Action
1	Present and apologies	Apologies – DF, PI Present - DM, RE, AH, JD, RW, JW, SH, HJ, RJ, CL, CP	
2	Committee	To appoint a Vice-Commodore. DM reported that he was still seeking a volunteer.	DM
3	Minutes of Previous Meeting	Accepted as correct – proposed RW, seconded JW.	
4	Matters Arising	<p>Club Health and Safety Policy – RJ reported that this has been amended and updated, in particular Club Coastal Rowing has been incorporated. He will print and laminate a copy (Annex E) for the Clubhouse and the updated Policy will be published on the Club website.</p> <p>GDPR – HJ reported the progress made on this and thanked SH and RE for their help. The Privacy Policy and Privacy Consent documents were ready to go and the Procedures document was in progress. The Committee agreed to adopt the Privacy Policy. RE and HJ to activate the consent process and HJ to continue with the Procedures document, seeking advice as needed from SH.</p> <p>Grass Cutting – AH had done some mowing recently but dates were still needed for work parties, in particular to mow and strim in the Dinghy Park. Saturday 28 July and Friday 14 September were agreed.</p>	<p>RJ, RE</p> <p>RE, HJ</p> <p>AH</p>
5	Treasurer's Report	<p>Report noted and accepted in the absence of DF. JD informed that the final expenditure on Rowing Skiff safety equipment had been £600 approximately.</p> <p>The Committee agreed with DF's proposal that Direct debits would no longer be accepted by the Club as a means of payment.</p> <p>The Committee agreed that the Harbourmaster's Honorary should continue as before.</p> <p>SH expressed a concern about the administration of the Club chequebook. It was agreed that the governance of Club finances was an issue to be</p>	

		addressed in the context of a future wider discussion on governance.	DF
6	Club Moorings	<p>In the absence of DF and PI, DM reported that it is expected that the Club moorings will break even this year and that a small surplus could be expected in the next couple of years. He noted, however, that if the number of occupied moorings reduces further the viability of Club moorings may come into question. The situation would need careful monitoring.</p> <p>JD suggested the possibility of advertising the Club and its facilities in the Inverness Marina Handbook. JD suggested that PI may appreciate help with the coordination of craning and mooring works. DM undertook to discuss this with PI. It was suggested that there should be a debrief following crane-in to identify and lessons.</p>	DM/PI
7	Open Day/RNLI day	14 July agreed as the new date for the Club open day/ Lifeboat Day. HJ to inform DF for info to SAR and Kessock RNLI, DM to inform Mike Wilson (of Rosehaugh) for Invergordon RNLI. Working group of DM, RJ, JW, SH to coordinate the day's activities.	HJ, DM, RJ, JW, SH
8	Safety Boat Maintenance	To date RJ had been organising and carrying out as required repairs and maintenance to the Club Safety boats and their trailers. A new volunteer was now sought for this role, RW generously volunteered to undertake the role of Safety Boat Convenor.	RW
9	Cetacean information notice	To note as per email below at note to item.DM was not familiar with the background to this, the original email had been sent to David Pocock (DP, previous Club Commodore and Harbourmaster). DM to speak to DP on this.	DM
10	SCIO	<p>See note to item 10 below.</p> <p>The Committee agreed to move forward with the process for the Club to become a SCIO.</p> <p>Agreed that the Membership should be briefed on SCIO status, the advantages and process.</p> <p>Agreed that the working group of RJ, DF and RW should proceed to draw up a proposed Constitution for the Club as a SCIO.</p>	RJ
11	Sea Scout sponsorship agreement	<p>Derek Martin, Skipper Avoch Sea Scouts, explained to the Committee that the current Sponsorship Agreement between the Club and the Sea Scouts needs to be renewed and updated.</p> <p>He gave a brief account of the progress of Avoch Sea Scouts since their foundation in 2004 and the subsequent adoption of the Sponsorship Agreement. This had been to the mutual benefit of the Club and Sea Scouts, giving access to each other's equipment and facilities.</p> <p>The Committee was happy to accept the Sponsorship Agreement as amended and thanked Derek for coming to the meeting.</p>	

12	Disabled access to Clubhouse lounge	DM suggested that it may be appropriate to put in place measures and/or equipment to make the Clubroom more easily accessible. Agreed that DM would look into the practicality and affordability of this and to report back.	DM
13	Use of Clubhouse lounge by Mens' Shed	DM requested a hire rate agreement for the use of the Clubroom for 2-hour sessions by the local Mens' Shed. A rate of £12.50/ session was agreed by the Committee. DM to put this to the Mens' Shed members.	DM
14	Concerns expressed by David Gibb	DM reported that he had received further contact from Mr Gibb and had responded. The Committee agreed that the process for making grant applications should be formalised and decided as follows: That grant applications be approved by the Committee in meeting except where constraints of time dictate that an application must be made in advance of the next following Committee meeting. In this case the application would be drawn up and then approved by two Committee members (separate from the draftee) and subsequently reported to the next following Committee meeting.	DM
15	Membership update	New members to be notified to Committee; Clifford Ball (Ordinary)– returning member, Deeanne Dias and Michael Blackburn (Family Membership for a couple of months as agreed) Douglas Murray (Ordinary Senior) and Alexander Elder (Junior).	HJ
16	Dinghy cruising communications	It was agreed that, although recent dinghy cruises had been undertaken by a small group of Club members, this was not an activity which was organised by the Club. Therefore Dinghy Cruising communication would be between interested boat owners on a personal basis using personal email addresses and other personal forms of contact. JD raised a query about the requirements for Cruiser Cruises in Company. It was agreed that he would draw up a list of minimum equipment required for boats taking part.	CP JD
17	Grenville's Sail Date	RE reported that a date had been agreed – Saturday 7 July – and that there would be a £5 charge towards the cost of lunch at the Rosemarkie Beach café. CP agreed to organise the event.	CP,RE
18	Accident Book	None	HJ
19	AOCB	RJ reported that the RYA Recognised Training Centre inspection has been scheduled for 24 June. RE advised that he will be seeking volunteers for the Dinghy Regatta. DM raised the possibility of canvassing the Membership on what they want from the Club. DM passed on a request from a local resident that members parking along the seafront to the East of the Club park on the landward side of the road as	RJ RE DM DM

		this causes less difficulty for residents when trying to get out of their driveways.	
20	Date & Location of next meeting	Tuesday 14 August 7.30pm at the Clubhouse.	DM/HJ

Committee:

Commodore – Donnie McLeod – DM
Treasurer – David Finlayson – DF
Secretary – Helen Jenner – HJ (also Membership Secretary)
Sailing Secretary – Richard Evans – RE (also Coaching and Webmaster)
Training Principal – Richard Jenner – RJ (also dinghy bosun)
Social Convenor – Janet Witheridge

General members:

Robin Witheridge – RW (RIB Convenor designate)
Peter Illingworth – PI – Harbourmaster, Moorings and Craning co-ordinator
James Dargie – JD – Cruiser Liaison
Sandra Hogg – SH – Rowing Captain
Alan Hardie – AH – Dinghy Park Co-ordinator
Chrissie Lane – CL
Calum Pearson – CP – Social Sailing Liaison

Notes to items

Item 5 – Treasurer's report

Treasurer's report May 2018

Membership income to date is sitting at £10,511.00. I remain hopeful of new memberships during the season

Moorings Fees: In view of concern about costs of moorings, the following points should be noted:

1. Crown Estates fees are self- funding other than the visitors mooring and Sea Scouts which the club pays for at a cost of £40/mooring
2. Craning is self-funding (assuming all members pay their dues!)
3. The previous moorings reserve, designated for such work and paid for by sales of moorings leases, was consumed in 2016 due to major dive works
4. Costs in 2017 were income of £6,125 vs expenditure of £5,905.
5. In 2018 cost to date (13th April) are £3,258.99 for hardware with dive costs of £2,600 making a total of £5,858.99. The harbour master anticipates income of £7,200 and thus once again moorings should break even depending on end of season costs.
6. It should be remembered that all moorings holders pay full membership subscription.

Insurance: The new policy has been taken out with Gallagher Heath with directors' and officers' cover as an add-on.

Rowing safety: Rowing safety kit has been purchased for just under £500

Direct Debits: Further to my comments in the last report I would like to formally move that the club no longer accepts direct debits. I regret that I am unable to attend in person to speak to this but the reasons are as follows:

1. Cumbersome system for the non-professional accountant to work
2. Confusion amongst members as to which method they have chosen and wish to use for payment (e.g. one member this year paid twice by PayPal in spite of having a DD set up!)
3. Cost, although modest, is present with none of the advantages of other systems such as PayPal.
4. Additional list needed adding to the monitoring required under GDPR

Non-domestic rates: A rates review has been done but I can confirm that the club has maintained full rates relief from the Highland Council for the coming year. Application for water rates relief was made timeously but confirmation of relief from Business Stream is awaited.

Harbour-master's honorarium – I seek approval to remit an honorarium of £400 to the harbour-master in line with previous years.

Finally, I have lodged a cheque book in the cash box realising that, in the absence of a book-keeper, should I not be available for any reason the club would have difficulty making due payments. The existing signatories are myself, Richard Jenner and George Hogg. SCIO guidance indicates a preference for double signatories and should the club move to SCIO status it may be that the signatory situation will need to be revised.

Bank Balance at 24th April, after paying moorings cost is £36,670.39

David Finlayson
Treasurer

Item 9 – Cetacean information notice

Email dated 3.4.18

Police Scotland/multi agency cetacean disturbance posters [OFFICIAL] OFFICIAL

Dear David (Pocock),

As discussed on the phone, following various issues of cetacean (mostly dolphin) disturbance in and around the Moray Firth last year, Police Scotland and other agencies are raising awareness to reduce incidents of such.

Alongside a forthcoming press release and other engagement activities, we are in the process of manufacturing A3-sized information signs which we are placing in key locations around the Firth where private hire and owners operate from. These sailors are the main focus of the campaign, as boat tour operators tend to be fully aware of the law, as well as already report possible infringements by others.

With resident and visiting craft at/to Fortrose, we would like to place such a sign to provide best exposure to sailors; your comments regarding jet ski activities is noted also. PC Dan Sutherland (the Highlands & Islands Division Wildlife Crime Officer) will make contact again around the end of April to deliver the sign itself, and if the person you'll pass this request onto gets in touch with him (cc'ed to this e-mail) they can liaise direct.

Once again, many thanks for your time

Mike

Mike Crutch X0178

on behalf of the Wildlife Crime Liaison team

Police Scotland

LEGAL STRUCTURE CHANGE FOR CHANONRY SAILING CLUB

MANDATE

Richard Evans & Richard Jenner submitted a report to the committee following their attendance at the RYA Scotland annual conference held in February 2018. 'Governance' had been a topic of a briefing and discussion led by **sportscotland** highlighting the risks to unincorporated organizations and offering alternative models. The committee tasked (22 March 2018) David Finlayson, Richard Jenner & Robin Witheridge to examine the topic and to report to the committee; Sandra Hogg who has expertise in this field offered to act as a consultant. This is the initial report to the committee which makes recommendations on the way ahead.

CURRENT MODEL

Chanonry Sailing Club is an **unincorporated voluntary organization** with a governing constitution. The club is also a **Community Amateur Sports Club (CASC)**. CASC status means the club is registered with HM Revenue & Customs (HMRC) and this provides some tax relief. We are eligible for 80% rates relief (which can be increased to 100% at the discretion of Highland Council) and the club can also claim Gift Aid on donations (not on membership fees). Currently the club receives both rates and water rate relief of 100%.

REASONS TO CONSIDER A CHANGE

As an unincorporated organization the club has no legal status – in law the club is a collection of individuals. Any property is legally owned by individuals on behalf of the members and any undertakings are also by individuals on behalf of members and this increases the risk of personal liability for those involved in running the club and its activities. As an example, the lease for the harbour and dinghy park is held by the serving Commodore, Treasurer and Secretary who are personally liable for fulfilling the conditions of the lease. The clubhouse Title Deeds (held by South Forrest) show the same 3 officers as taking the Title. The club has taken out insurance that offers some protection to officers and members but this would not prevent officers being personally involved in claims against 'the club'. It is already very difficult to find volunteers for officer posts and it is likely that some incumbents were not aware of their liabilities and this aspect can only make finding volunteers, essential for the continuance of the club, even more difficult.

CHANGES TO CONSIDER

The club could seek **incorporation**. An incorporated organization has a legal identity of its own. This means that it can own property and enter into contracts in its own name. Incorporation means the liability of the organization to third parties is limited to the total amount of the members' guarantees. This gives protection to those running the organization and its members in most cases. However, it also means that committee members need to take their responsibilities seriously as they are legally binding.

Personal liability may still occur if committee members or trustees are:

- reckless
- negligent
- act illegally
- act outwith their powers in the management and control of the organization

There are two main incorporated legal forms available to us. Company Limited by Guarantee (with or without charity status) and the Scottish Charitable Incorporated Organisation (**SCIO**). They both come with regulation. Companies are regulated by Companies House and charities by the Office of the Charity Regulator (**OSCR**) and Scottish charities must therefore register with [OSCR](#).

A charity is a voluntary organization which has been set up only for charitable purposes and to provide public benefit.

Advantages

- Tax relief on surpluses and donations
- Access to funding only available to charities
- Rates relief for premises
- Special VAT concessions

Disadvantages

- Restrictions on spending
- Cannot engage in party political activities
- Must adhere to legislation
- Trustees have specific duties under legislation

All charities must submit an annual return and accounts to OSCR and seek their permission to make certain changes.

The **SCIO** provides limited liability and a separate legal identity to organizations that want to become charities but do not want or need the complex structure of company law. This means that even the smallest charity can access the benefits of incorporation – including limited liability and legal capacity. Complex accounting, often quoted as a drawback with charitable status, is not an issue as a SCIO as receipt & payment accounts, as used by the club at present, are acceptable for our level of turnover. **The club should give serious consideration to becoming a SCIO.**

COULD THE CLUB ACHIEVE A CHARITABLE STATUS?

A key element of becoming a SCIO is to meet the charity test. Chanonry Sailing Club should qualify under the advancement of public participation in sport purpose which states: 'this purpose focuses on advancing public participation in a sport that involves physical skill and physical exertion'. An organization with this purpose must be able to demonstrate that it provides opportunities for a wide range of participants. There are other charitable purposes that the club might also meet such as 'the provision of recreational facilities or the organization of recreational activities' or 'the advancement of heritage' building on the Harbours Heritage work already undertaken for the Grade B listed harbour. The inclusion of community rowing within the club and our sponsorship of the Avoch Sea Scouts should strengthen any case we make.

Another important consideration would be our constitution which would need to meet the criteria of OSCR. The Scottish Council for Voluntary Organizations (**SCVO**) has a very useful template.

The club would be a '**2-tier**' **SCIO** which involves trustees (at least 3) and members. The format could be very similar to today's club with an elected committee who are the Charity Trustees. Trustees are responsible for the control of management and administration SCIO but need not be

directly involved in the day-to-day management nor for taking operational decisions. It may suit the club to have a smaller committee of Charity Trustees than at present carrying out their legal obligations and providing strategic guidance and oversight but making greater use of sub-committees to deal with day-to-day matters. The governance model could be developed in the drafting stage of a new constitution

PROCESS FOR CHANGE

We would need to **apply to OSCR** to be incorporated as a SCIO. This would require a **new constitution** to be submitted and for at least 2 members to make the application. Practically, we will need a **General Meeting** to agree to the setting up of a new legal body and agree in principle to the transfer of assets and liabilities and winding up of the current association. This will include agreeing to a new constitution.

Once OSCR have incorporated the SCIO, we would require a **second General Meeting** under clauses 76 – 77 of the existing club constitution to dissolve the club and a resolution under clause 77 (a) to transfer assets to the SCIO. The same meeting should elect Trustees of the new legal body.

‘Dissolution

76. If the Committee determines that it is necessary or appropriate that the Club be dissolved, it shall convene a meeting of the members; not less than 21 days’ notice of the meeting (stating the terms of the proposed resolution) shall be given.

77. If a proposal by the Committee to dissolve the Club is confirmed by a two-thirds majority of those present and voting at the general meeting convened under clause 76, the Committee shall have power to dispose of any assets held by or on behalf of the Club - and any assets remaining after satisfaction of all debts and liabilities of the Club shall be transferred to one or more of the following approved sporting or charitable bodies:

- (a) A registered charitable organisation(s)
- (b) Another club which is a registered Community Amateur Sports Club
- (c) The Royal Yachting Association for use by them for related community sports

All assets, contracts and liabilities would need to be transferred to the new SCIO (and once this is complete the old association would be wound up). That includes moveable and heritable property and will include the clubhouse and harbour lease. These are both held in the names of current officers on behalf of the members but in future would be held by the SCIO.

The change may also involve:

- changing bank accounts
- new contracts with suppliers, or at least making them aware of the change
- new application for water charges exemption
- HMRC registration
- Changing audits to a non-member
- New contract with the Crown Estate or their successor (moorings), or at least making them aware of the change

The ground would need to be well prepared before any General Meeting.

OTHER CONSIDERATIONS

Discussions would need to be held with Highland Council on how to transfer the harbour lease and it may be worth exploring the purchase of the harbour (and dinghy park) from the council for a token amount and for the club to use its charitable status to obtain grants to preserve the harbour and make it a better community asset.

It would be worth considering the club becoming a member of SCVO. Grassroots membership for an organization of our size is free. It would enable us to access two hours of pro bono legal services which may be handy when looking at the lease etc.

WAY AHEAD

The case to become a SCIO seems overwhelming so that liabilities can be managed, the legal ownership of club assets can be regularized and so that the club can access grants available only to charities.

There are some parallels with the North Kessock Community Pier who have formed a SCIO and bought the pier from the Highland Council; David Finlayson will contact the trustees to see what lessons we could learn.

We seek **committee agreement** to apply for SCVO membership.

We seek **committee agreement** to brief the members on why we are looking at becoming a SCIO and what the process would entail.

We seek **committee agreement** to draft a new constitution for a SCIO application which would be reviewed by the committee.

Once the draft constitution has passed the committee stage, we seek **committee agreement** to go ahead with the General Meetings mentioned above.

David Finlayson
April 2018

Richard Jenner

Robin Witheridge