



Annual Report 2017

The Atlantic Islands Centre. For the past 18 months, the board of the Isle of Luing Trading Company has managed the café and retail activities in the Centre on an entirely voluntary basis, as we awaited the results of various funding applications to enable the appointment of a new Development Manager. Success in this regard came in Autumn 2017, enabling advertisement, selection and appointment to be achieved in mid-December. This should enable the Centre as a whole to operate with a proper management structure in 2018.

During the year resignations eventually reduced the board to two members, both of whom are also Trust directors. This is recognised as an unsatisfactory situation, and the Trust board is working to rectify this as soon as possible. In practice a Trading Company board of two or three members, with only one Trust director involved and with appropriate business and financial skills, is probably sufficient, provided that this is underpinned by a robust management structure, including both employed and volunteer members. In a small community this is not easy to achieve, and compromise is often necessary.

The dedicated Luing Bakers have continued to provide the daily delivery of home baking that has been a major part of the success of the café. We are most grateful to Mary Whitmore for initiating and running the operation for more than 12 months, and then enabling the team to move on under a system of weekly rotating co-ordinators which is now working well.

Turnover for the year was down on the 2016 figures. Our chef, Archie Frost, resigned in June to take up a managerial post in a local hotel. Given that in the high season it is impossible to find chefs looking for work (we did try!) and the fact that the support funding for the post was less than a year, the operation had to continue with the rota of venue assistants supported by board members. One of the venue assistants was appointed as kitchen supervisor, but without a qualified chef or cook, the menu had to be limited. Fine dining also ceased, though a review of the economics of this revealed that its viability was questionable; if and when a new chef or cook is found, this decision will be reviewed.

With the resignation of the board member acting as Premises Manager, alcohol sales had to be suspended, which resulted in some reduction in sales compared to 2016. They will be resumed as soon as a new Premises Manager has been appointed. Retail sales were also down as the task of maintaining and updating retail stock had to take second place to managing the café.

As the summer season gave way to the reduced trade of autumn and winter, it was clear that the Trading Company would have to institute a winter closure. However the Centre is more than the activities of the Trading Company, and the Trust were determined to keep the Centre open for community use, as well as for the small number of winter visitors. To do so required the continued employment of staff, essentially two venue assistants each day for reduced opening hours, and we are grateful to the continued Lottery funding that enabled this to happen. Without such funding support next winter, we may have to reconsider the operation of the Centre in the winter months.

Employment: As mentioned above, the chef left us in June 2017. The Trading Company continued to employ the team of venue assistants with an enhanced number of hours through the rest of the year. The Trust began

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the year with two part-time employees, the book-keeper (Lasta King) and events co-ordinator (Birgit Whitmore). The latter resigned in February, and events co-ordination was then carried on by a combination of voluntary effort and welcome support from our Lorn Islands Partnership (LIP) project officer.

The award of Lottery funding specifically to enable the employment of a Development Manager, plus part-time roles for financial matters and for events, came in late summer, but with the requirement that we found match funding before the funding could be drawn down. Following negotiations with Big Lottery, agreement was reached to allow the appointment of the Development Manager (DM) on a part-time basis to enable the search for match funding to take place. Early success came with a limited award from the Robertson Trust, but once the DM is in post, this can be pursued more vigorously. The DM appointment was made in mid-December, and the appointee, Jane Churchill (who is already our support Project Officer for LIP) will take up her post in March.

Publications: a re-print of the Luing map leaflet for visitors on the ferry was necessary at the end of the season. The second print run of the walk leaflet has sold steadily through the year, and provides a small but welcome income for the Trust.

Moorings Project: donations from users of the moorings more than doubled in 2017 compared with 2016. It is impossible to monitor use of the moorings, and make a formal charge, so users are invited to contribute a suggested donation to the Trust. The vast majority of visiting yachts do this, and indeed visit the Centre to use the café; we did have one visiting yacht who was unable due to weather conditions to come ashore, so emailed to ask how they should make their donation and followed that by sending a cheque! We are heartened by the honesty of the great majority of users.

In 2017 the donations received for the first time covered the cost of the Crown Estate rental and other moorings costs. We hope to show further increase in 2018.

Training: Jonathan Robertson continued as Training Officer beyond the end of the VAF funding supported by the training element of the Lottery funding until June. His contribution to staff and volunteer training, including board training was extremely valuable, and we were sad when for personal reasons he left. Further training has been limited but should resume once the Development Manager is in post.

Events: a second application for funding to Creative Scotland was unsuccessful (87% of such applications are unsuccessful!), so the 2017 programme of events for music, theatre, visual arts, literature and crafts took place on a more limited scale on what is called a 'door split' basis. Many performers recognise the funding problems and are prepared to perform on this basis, but it does limit the extent of the programme that can be provided.

Further funding applications will be made in 2018, but another route is being investigated using LIP to try to put together a co-ordinated programme across the four Lorn islands, which could have the benefit of reducing costs. Each performance would take place on more than one of the islands.

External relations: the Scottish Islands Federation (SIF) has been very busy during 2017 responding to the Scottish Government consultations, especially on the Islands Bill which is still making its way through Holyrood. SIF is also a key member of the European Small Islands Network (ESIN), and is involved with several projects with ESIN, especially concerned with renewable energy. Of particular importance at the moment, SIF is monitoring the potential impacts of Brexit on the island communities of Scotland, and making representations to the Scottish Government on our behalf.

The Trust was represented at the Development Trusts Association – Scotland (DTAS) 2017 conference last September. DTAS is becoming more important every passing year in keeping the Trust updated on legal

responsibilities and providing with advice and support. The Centre continues to participate in the bulk electrical energy purchasing contract, giving substantial savings on electricity costs. There is also a heating oil bulk purchasing scheme, but unfortunately none of the suppliers in the scheme have a small enough vehicle to use the ferry.

The Lorn Islands Partnership (LIP) is a significant feature of our support network. The Scottish Government, through its Strengthening Communities Programme, funded LIP for a second year from April 2017, and will hopefully continue to do so for a third year in 2018-19. Our Project Officers Gill Law and Jane Churchill have continued to share the support provision with Gill mainly working with Easdale and Lismore, while Jane supports Kerrera and Luìng. As Jane has now been appointed as part-time Development Manager for the Trust, we will see a lot more of her when she takes up the post in March 2018.

The Climate Challenge Fund grant awarded in Spring 2017 was intended for a Project to support various aspects of recycling across the four islands, especially as some islands do not have a Council recycling uplift at all. For all four islands the major part of the Project, supported by a separate Project Officer, was to deal with the problems of glass recycling on the islands by using glass imploders to reduce the glass to small particles that could be used as aggregate. The Project Officer took her task very seriously and researched in depth. Unfortunately the result of the research was that the process would not produce a useful product for the islands and would leave a problem of removal from the islands. The decision was reluctantly taken to discontinue this part of the Project, and the Project Officer felt that she was not able to contribute enough to the remaining Project recycling agenda to continue in post, so resigned in the autumn. The LIP board then decided to close down the project and return the remaining funds to the CCF.

LIP negotiated with Rural Housing Scotland to carry out a Housing Needs Survey on each island as a prelude to addressing the way additional affordable housing might help to reverse the problems of declining island populations. This was done on Luìng in December, but the report will not be ready until Spring 2018.

At an earlier stage of development is an HIE-enabled project to encourage small business enterprises on the four islands by provision of suitable small premises. It is hoped this will progress more quickly in 2018.

Broadband: provision is becoming increasingly inadequate on Luìng. Government promises have been made, but it remains to be seen how this will be delivered, especially after the unfortunate collapse of the GigaPlus project based on Mull.

Sub-group activities

Luìng History Group has continued to produce a frequent change of displays in the Centre gallery on all manner of topics. Visitors with ancestral connections to Luìng have continued to come in person or by email contact.

Archaeological fieldwork by a team of field walkers (a technique that does not include excavation) led by Dugald MacInnes of slate mosaics fame resulted in the identification of some 400 sites of interest across Luìng, and there is still more of the island to be covered. Once this is done, we look forward to the report on this amazing project.

The group continues in a healthy financial condition.

Luìng First Responders: the group provides 'First Person on the Scene' support to people on Luìng who are awaiting paramedics from the Scottish Ambulance (by vehicle or helicopter). On a small island with no resident medical staff and a vehicle ferry only between 0730 and 1800 six days a week, this volunteer standby service is essential outside these hours. An ambulance from Oban can reach Luìng in about 40 minutes, calling out the

ferry if necessary. Luing Responder volunteers provide basic life support, monitor vital signs, use defibrillators, administer oxygen and use manual suction equipment until the paramedics arrive. Regular training sessions to maintain skills are held once a month. Two responders are on call every night and all day Sunday (when there is no car ferry). The main function of our group is to be on call to provide rapid response when there is a medical 999 call from the Isle of Luing outside car ferry operating hours.

Financial activity this year has been limited.

Luing Playing Field: the committee continues to be responsible for the maintenance of the playing field. However the play park remains closed, as the problem of insurance costs has not yet been solved, and the committee is unwilling to take the risk of operating it uninsured in these litigious times.

Financial activity is limited to the maintenance and operational costs of machinery.

Financial: revenue funding from the Lottery continues to cover a range of costs until April 2018, but the late completion meant that the time remaining is too short to develop financial sustainability. The ending of this support will be a major change in the financial operation of the Centre, though the new Big Lottery Medium grant will to some extent soften the blow as the presence of the Development Manager does have implications for reducing the minimum staffing required for the café operation.

The principle for operating the AIC is that the Trading Company (TC) is given occupancy of most of the building and made responsible for operating costs. The details for this are set out in the Intra-Group and Services Agreements in 2016. In line with common practice for a new venture, the TC was given the first year of operation rent-free, this second year at a reduced rent, but for 2018 full rent for the space occupied has to be charged. As a charity, the Trust is not allowed to give money to the TC to fund its operations, but it can, and has, provided a loan at a commercial rate of interest of 2% above bank base rate as required to smooth the cash flow. No such loan was required in 2017.

The funds of the Trust itself, kept separately in the Main account, have shown a substantial increase compared with 2016, partly from the Events programme. Donations with Gift Aid is an important source of income, given we do not charge for entry to the Centre. However the ending of Lottery revenue funding support has implications for the Trust expenditure in 2018, especially the cost of insurance and accountancy, and there will be a need to increase Trust income even further in future years. Building maintenance has to be met from Trust income, and the TC rent payments will have to represent the source of the budget for this purpose.

The Trust Projects account is used to track income and expenditure of the various restricted funding streams, with the exception of Big Lottery funding, which is held in the Big lottery account. In 2017 there have been five restricted funding streams at various points in the year. However the Strengthening Communities Programme funding for LIP was transferred into LIP's own new account in June. The Art Trail Project, funded for the first stage (creation of the art works) by Argyll & Bute Council's Community Funding scheme and by the Tesco Bags of Help scheme, is past the half way mark for this first stage, and hopefully will see completion in April 2018. After that the campaign to raise funding for Stage 2 (placing of the art works in suitable form to create the trail) begins in earnest.

The Trust Board: during 2017 one director, Norman Bissell, resigned early in the year. At the 2017 AGM there was a further change when John Robertson stepped down both as chairman and as a director. Paul Thomas and John Rennie were elected to the board, joining Nigel Dyckhoff, Alastair Fleming, Pete Hooper and Eoghann MacLachlan. Neil McCorrisken was co-opted. Annie Tunnicliffe and Gill Law continue to provide invaluable help

as Business Adviser and Human Resources advisor respectively. Pete Hooper took over the chair, while Paul Thomas became Secretary.

Governance: it has been clear for some time that the Memorandum and Articles of the Trust were becoming outdated. The Trust was created in the last year of the 1985 Companies Act, which has been replaced by the 2006 Companies Act. With funding from Big Lottery, the Trust's solicitors were commissioned in November to draw up a new memorandum and Articles under the 2006 Act, and this should be finalised in early 2018. The new 'Mem & Arts' will need to be approved by a Special General Meeting of members before coming into force, but they also have to be approved by the Scottish Government and the Scottish Charities Regulator, so some time may yet elapse before they come into force. When they, do there will be quite a few changes to the governance of the Trust, and the local Rules will need re-working and become a much smaller document, as much of the content of the old rules will be covered in the Articles. The structure of the board will change to enable the co-option of directors with specific skills needed by the board and not provided by elected members – a welcome development if such willing skilled people can be found!

Finally the Trust Board once again wishes to record thanks to the volunteers who do so much to make project work, especially to those who gave so much of their own time to managing the operation of the Centre through the long months without a manager, and in addition without a chef from last July onwards.

The directors of the Isle of Luing Community Trust

March 2018