

**BALLATER HOUSING SUB GROUP (H1 SITE)
MEETING ON TUESDAY 2ND SEPTEMBER 2010 AT 2.30PM AT BRD OFFICE,
BANK ROAD, BALLATER**

Present:

Emma Binns (Rural Housing Service), Fiona Munro (CNPA) **Nick Mardall**, Deeside/Donside manager **(NM)** , Gillian Sinclair (GS) Ballater (RD) Ltd,**(GS)** Fiona Murray, Director of Development Castlehill Housing Association **(FM)** Jane Angus, Ballater and Crathie Community Council **(JA)**, Gordon Bruce, Ballater resident **(GB)**, Hugh Mackay, Ballater resident **(HM)**, Robin Blythe Ballater and Crathie Community Council **(RB)** Rory Dutton, Development Trusts Association Scotland **(RD)**, Ed Taylor Princes Foundation for the Built Environment **(ET)**, Chris Cook, Nordic Enterprise Trust **(CC)**

	Agenda item	Summary of discussion	Who
1	Welcome and Introductions	Emma Binns chaired the meeting and everyone introduced themselves. Overview of meeting objective was provided by EB.	All
2	Presentation from Rory Dutton of the Development Trust Association	RD gave a very informative presentation on Community Development Trusts and Community Housing. Highlighting examples of both direct and indirect forms of development, limitations and key elements. EB thanked RD for informative presentation. Questions were held until after the 2 nd presentation by CC. RD stated that the DTA's assistance may provide useful throughout the process of setting community housing development.	RD
3	Presentation from Chris Cook of the Nordic Enterprise Trust	CC gave an in-depth, informative presentation into a potential financial model which may enable a 'Ballater Land Partnership' CC presented on how a Limited Liability Partnership/ capital partnerships and equity sharing could work. This involves the Landowner retaining land (like a lease with legal rights) and the landowner could be the 'custodian' for the agreement. It wouldn't require the landowner to give land away but put the value of the land into a partnership, which has positive long-term implications for them. The Council could be a partner by investing a s75 agreement and builders could agree costs and profit margin with partners	CC

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		<p>also.</p> <p>Self – builders could potentially invest 'sweat equity' but homes would be subject to valuation and quality control.</p> <p>The whole process minimises cash requirements, however local risk takers are required.</p> <p>Developer invests intellectual capital.</p> <p>The result = a co-owned rental pool whereby cash flow is created through rental. Units can be issued and are redeemable. Investors may wish to keep units for pension or sell to investors/ occupiers who wish to invest in their own homes (empowering occupants).</p>	
4	Discussion on above presentation by CC	<p>The group were keen to know how this could be driven forward – CC stated that entrepreneurs and facilitators are required (2/3 people to drive).</p> <p>High risk as capital (risk finance) is required and all negotiations would have to be entered into at an early stage.</p> <p>CC suggested that all required elements currently exist - with the participation of Invercauld (and/or the laird, if he owns that particular plot as GB suggests) and Scotia, to put together a 'Ballater Rental Pool' beginning with the existing properties of those self builders who wish to release equity. This would enable them to release equity 'funding' from investors, without borrowing, and this funding would then be used to provide the development financing needed to create self-build properties as the first phase on the site. This Pool mechanism may also reduce transaction costs, since no sale of the freehold need be involved (there are a couple of possible approaches).</p> <p>Existing properties would form the basis of the 'Ballater Rental Pool', and external investment in Units in this Pool could enable existing mortgage debt to be paid off and reduce existing financing costs. It would also enable further external cash investment necessary to finance the costs of construction of your self build homes to be brought, alongside own cash</p>	All

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		<p>investments and (suitably valued) 'sweat' investments.</p> <p>There would also be Scotia's investment to date - i.e. a proportion of their existing sunk costs - and possibly also their project management; build contracting; buying expertise etc.</p> <p>There are several possible approaches to the project, which section 75 obligations which could be discussed later on in the process.</p>	
5	Document produced by EB on Community Housing Development Options and Case Studies	EB outlined the document she produced for the meeting outlining options such as right to buy, community land trusts, housing co-operatives with case studies such as the Strathfillan Housing Development. Copies available if required.	EB
	Question and answer session with discussion on presentations (all)	<p>NM asked for more info regarding the Masterplan process. ET replied saying that it is a framework with potential to be re-visited and will likely take a modular approach. Detail can be agreed in smaller chunks at a later stage but outline overview is required first.</p> <p>ET was asked if a simplified masterplan could occur to 'get the ball rolling' Fiona Munro stated that it would be considered as part of the planning process</p> <p>EB stated that this group could potentially act as a 'powerhouse' to see action sooner rather than later.</p>	
6	Future actions	<p>The key action to come out from this meeting and all subsequent discussions is that discussions must be had with Invercauld Estate and Scotia Homes (who have an option on the site). These 'partners' are key to the success of any potential movement with affordable housing and self build projects on the site.</p> <p>It was decided that this meeting should be relatively small and to include Invercauld, Scotia, Ed Taylor, Chris Cook, Fiona Munro/Emma Binns, Development Management (Don McKee?) and representation from Aberdeenshire Council (Elaine Reid?).</p>	ET, CC, EB, FM,
7	Date of next meeting	TBC (after discussions have been held with the Estate).	