

# FALKLANDS LANDHOLDINGS CORPORATION

## OPEN MINUTES

19<sup>th</sup> August 2016

These minutes are draft minutes until confirmed by resolution at the next meeting of this committee

<b>Present:</b>	MLA P Rendell	PR	Chair
	MLA I Hansen	IH	MLA
	Mr A Pollard	AP	General Manager FLH (GM)
	Mr K Padgett	KP	Chief Executive, Vice Chair

<b>In Attendance:</b>	Ms L Morrison	LM	Head of Finance, FIG
	Mr I Campbell	IC	Senior Agriculture Advisor
	Mr K Alazia	KA	Farm Manager, Goose Green
	Mr S Dickson	SD	Farm Manager, North Arm
	Mr G Castro	GC	Farm Manager, Fitzroy

<b>Minutes:</b>	Mrs D Aldridge	Office Manager, FLH
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Action

**1. Apologies for Absence**

Apologies for absence were received from Mr J Forster, Mr K Knight, Mrs N Granger and Mr T Miller.

**2. Declarations of interest**

There were no declarations of interest at this stage in the meeting.

**3. Confirmation of the Minutes of the Meeting held on 13<sup>th</sup> May 2016.**

The Minutes were confirmed as a true and accurate record with some corrections.

Item 5 – third paragraph add Arm.

Item 7 – Fitzroy section – second paragraph YSL should read OSL and fifth paragraph employee should read employ.

**4. Matter Arising from the Minutes of the Meeting held on 13<sup>th</sup> May January 2016.**

Item 7 paragraph six – the issue of a formal agreement with Sure still **GM**

needs to be discussed.

**5. Financial Update.**

The management accounts were presented up to the end of June but it was noted that they are not yet finalised. The final accounts will need to include Depreciation and Livestock Valuations.

It was noted that there was slight increase in wool sales and this compensated for the slight decrease in meat sales. Since the budget has been formalised there is going to be an increase in shearing and wool handling costs up to £25,000.

The exchange rates after the EU referendum has positively affected wool sales. FLH has already forward sold 30% of their wool clip by value. This is about £110,000 more in value compared with the same volume sold last year and approximately £135,000 more than budgeted.

There has also been an oversight in that the Fitzroy Shearing Shed project had not been rolled over to the new financial year. The project is now in the final stages of completion.

Since budgeting Fitzroy would also need funding for another generator as there are still ongoing issues with power. They currently only have one generator and two very old ones, which need significant funding to repair. It was thought this would need funding in the region of £10,000. It was agreed for the GM to bring a paper on this to the next Board Meeting. **GM**

The auditors will be in the Islands early to mid-September and the GM is co-ordinating for a meeting with them with Board Members.

It was noted and encouraging to see Fitzroy looking much better than it had previously and Goose Green and North performing very well.

**6. Falklands Landholdings Pay Increase.**

This paper was brought to the Board to consider a 1% pay increase to FLH Staff.

This paper was agreed and approved.

**7. International Visa Company Debit Card.**

This paper was brought to the meeting for the Boards approval to obtain a Standard Chartered Bank Visa Debit Card for the Corporation.

The meeting agreed that technically the limit on the debit card is what is in the account. It was agreed a good idea that policies and procedures for use of the card would be covered by current GM delegated responsibility for payments in general.

The meeting agreed that the application would be placed with Standard Chartered Bank and that the General Manager and Officer Manager would be the signatories.

This paper was agreed and approved.

**8. General Managers Report.**

This paper was to update the FLH Board on activities and actions since the last meeting.

Farming conditions – these have been favourable over the past few months although now there has been a significant fall of snow.

FIMCo Supply – There was little to comment. Beef sales for North Arm have been good for July and August.

Wool Sales – FLH has sold its entire 2015/16 wool clip and have forward sold 30% by value of their wool Clip for the coming 2016/17 season. This has been sold for prices exceeding a £1/kg Net Stanley above 2015/16 sales.

Sheep Genetics – The AI scanning and mid-side samples have been completed prior to the trip to Australia. The scanning results were excellent and the mid side samples microns were comparable as expected. FLH expressed their gratitude to the DOA for providing a short turn around in obtaining these results and thanked all concerned for their hard work during this programme.

Energy – Fitzroy have continuing problems with the turbine/generator setup. North Arm have a system that is now too small and it was agreed for the GM to look at this and see what needed to be added. SD commented that he thought the way to proceed was solar and this is easier to maintain as there are no moving parts. Goose Green have two 6KW turbines erected and a new control panel for the monitoring system is expected to arrive shortly. **GM**

Horticulture – the GM has met with FIDC on this subject and would attend further meetings when the independent consultancy services specialist whom FIDC have contracted arrive in the Islands in October. It was noted that T Miller made a very good presentation at

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Farmers week on horticulture. He demonstrated that there are opportunities to grow some basic crops that would achieve good results.

Livestock supplementation – this was still in the budget and although previous enquiries had not progressed due to the freight costs being too high. Other options are still being looked at to see if they were practicable. The DoA Agronomist recently visited Uruguay and followed up with potential suppliers and since his return discussions have taken place with SAAS.

Agricultural Trainees – the GM had met with the Training Centre and it proved a very positive meeting. There is real enthusiasm with staff to work with FLH. There is one downside in that if worked through the Training Centre then the work needs to be linked into a qualification. The objective for FLH at the moment is to solely provide an employment opportunity and assess the interest. Although the Managers are interested in this scheme accommodation is an issue on some of the farms.

**Fitzroy Farm - GC** informed the meeting that the stock at Fitzroy are in good condition and seem to have settled into the holistic grazing programme. Although it is too early to say at present they all appear to be doing well.

The capital works are progressing and the shearing shed is nearing completion. The big house still needs works on the kitchen and window facings on the interior. The water tank is still to be completed. GC has requested a timeframe for this work to be completed by the contractor.

The power is still an issue at Fitzroy and another generator is needed. There is a possibility that the two old ones could be sold.

The seasonal workers have now been employed and will arrive on the 17<sup>th</sup> September.

The shearing shed has had a sixth stand installed so that the whole gang can work at Fitzroy.

FIG has opened up a quarry at Bush Pass and have said they will carry out some works on the road to Fitzroy.

**Goose Green** – KA informed the meeting that the scanning was carried out on the 1<sup>st</sup> and 2<sup>nd</sup> Aug with good results. He would like to see the numbers reduced to 1,600 so better ewes could be used and the number of days AI reduced. All other stock is generally in good condition but would probably have a slight set back with this fall of

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snow. Before the snow the camps did appear to be very dry which is not a good indication for the summer season.

Cows and Heifers are now back in the camps and the weaners are on silage.

A handyman and the seasonal workers have been employed. The truck driver post has again been advertised but to date there have been no applications. Three members of staff have completed their probations.

Settlement maintenance is ongoing and the works on the dog cages have progressed and one set is near completion. Fencing has been completed and 5 roofs on various sheds have been completed.

The preparation work has been completed for the new cattle yards in the settlement.

The new press has arrived and has been installed. The new tractor, 4 quads, roofs and 20K of fencing is due to arrive next week.

The wind power is working with some issues. We need the other 2 turbines installed to get a complete picture with some real data. There are ongoing issues with electrics on half of the farm in that they cannot use washing machines etc. when the generator is on. This has only occurred since it has been connected to the turbines.

Shearing will commence on the 12<sup>th</sup> and 13<sup>th</sup> September at Walker Creek with the shearing of the maidens and an exemption from the DoA has been attained. The ewes will be shorn twice and the objective is to bring the maidens in line with the other ewes regarding shearing times and wool growth.

Haulage – Goose Green has bid for the New Haven contract with FIMCo but have not heard the outcome.

**North Arm** – SD informed the meeting that the stock appeared to be in good condition although the camps are dry. Some of the AI rams have put on 11 – 12kg since weaning but they have not been put over ewes. SD questioned some of the semen that has been used as one AI ram is already 21 micron. It was also noticed that the technician needed to have days between the AI at GG and NA as the scanning results decreased down to 54% on the last day. GM commented that with so many ewes being AI, there may be some additional stress from the ‘handing around’ waiting. SD also commented that at the moment every ewe is inseminated although not marked up and thought this should not happen. Last year 750 ewes were in lamb and this year 1404 ewes which is excellent.

It was agreed to review the whole process.

GM/KA/  
SD

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Cattle are doing well and have enough food until his return from Australia. The cattle scanning wasn't a success this year due to a technical issue and being scanned too late.

Settlement maintenance is ongoing with work on the pens. The solar system is going into one house for a trial to heat hot water. Potentially there could be more merit utilising solar power for central heating.

The big house has now been completed.

One new member of staff arrives tomorrow and the two seasonal workers are due to arrive in October.

### **9. Australia Visit.**

This paper was to provide an update to the Board regarding the forthcoming visit to Australia. The recommendation of £5,000 to be transferred to the General Manager to cover costs accrued whilst travelling was approved. The GM has authority to purchase a small quantity of gifts and cover the costs of hospitality whilst in Australia.

PR asked if all had taken out travel insurance. It was confirmed everybody has insurance in place.

This paper and the recommendations were approved.

### **10. Marketing – Website and Social Media.**

This paper was to consider the setup of a website and social media presence for FLH.

At present if you search FLH on Google the results historical facts and corporate financial management. There is little promotion of the investment and forward looking direction of the corporation. A website and social media presence will allow FLH to reach what could be potential customers and employees.

It was thought that funding needed would be in the region of £2,000. It is the next logical step to give a good impression and show some of the positive sides although it is noted there are negatives risks.

This paper was agreed and approved.

### **11. Policy – Housing/Rural business set-up blocks.**

This paper was to provide a policy for FLH leasing land for both residential and rural businesses.

The Recommendations were for the FLH Board to adopt a policy

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decision making process. To agree to the GM to advertise identified plots and draft a 99 year lease for the next Board meeting. **GM**

There is two main differences, residential and business set up blocks. The aim is to try and increase the population in camp and have more people living within the communities. All of the services would need to be considered and be certain they could cope with an increase of use. There needed to be consideration given to requests from people outside of these settlements.

It was agreed that all applications needed to come to the Board for approval and there would be no direct sale of land.

The managers would need to identify plots within the settlements and these would be advertised for expressions of interest. **GM/KA  
SD**

IC asked about areas outside of the settlements such as Black Rock and Berthas Beach. The policy recommends not to lease land in these areas as Farm Managers have concerns with fire and increased activity during lambing. Although to have more tourism opportunities there may need to be a review of these areas in the future. It was agreed that all applications could ultimately be screened by the Board.

It was thought a good idea to keep these within the settlements with some rules in place. The detail in the lease needs to maintain the aesthetic aspect of the settlements. FLH do not want to end up with loads of abandoned derelict buildings/properties.

PR agreed it is safer for the Board to make these decisions so these applications needs to appear before the Board.

### **12. Date of next meeting**

The date of the next meeting 18<sup>th</sup> November 2016.

## **PART 2**

### **13. Exclusion of Press and Public**

The Committee resolved to exclude the press and public on the grounds that the next items of business to be considered were exempt within the terms of paragraph(s) 7, 9 & 10 of Schedule 3 of the Committees (Public Access) Ordinance 2012 relating to information about individuals, Information about others' financial and business affair and Information about relevant contracts and negotiations.

### **14. Confirmation of Exempt Minutes of the meeting held on 13<sup>th</sup> May 2016.**

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*Not for publication by virtue of paragraph 7, 9 & 10 of Schedule 3 of the Committees (Public Access) Ordinance 2012 relating to information about individuals, Information about others' financial and business affair and Information about relevant contracts and negotiations.*

The Exempt Minutes were confirmed as a true and accurate record and signed by the Chair.

**15. Matters arising from the Exempt Minutes of the meeting held on 19<sup>th</sup> May 2016.**

*Not for publication by virtue of paragraph 7, 9 & 10 of Schedule 3 of the Committees (Public Access) Ordinance 2012 relating to information about individuals, Information about others' financial and business affair and Information about relevant contracts and negotiations.*

There were no matters arising.

**16. Lease Applications.**

*Not for publication by virtue of paragraph 7 of Schedule 3 of the Committees (Public Access) Ordinance 2012 relating to information about individuals.*

This paper was brought to the Board to show the current applications to lease land from FLH and seek recommendations on how to move forward.

KP then thanked everybody for his time on the Board this is his last meeting as Vice Chair. KP commented that it was good now to see FLH as a profitable business. He wished everybody at FLH the best for the future. The Board also thanked Keith for the contributions to FLH.

It was also noted this would have been N Grangers last meeting and although she was not present the Board would like to thank her for her contributions with FLH over the years and wish her the best for the future.

Minutes confirmed this                      day of                      2016.

Chairman