Dee District Salmon Fishery Board

MEETING OF THE DEE DISTRICT SALMON FISHERY BOARD
Banchory Lodge Hotel, Banchory and by MS Teams
17:00, Thursday 28th September 2023

Present:	
Qualified proprietors:	Lawrence Ross, (LR) Chairman Paul Adderton, (PA) Victor Beamish, (VB) Edward Humphrey, (EH) Scott Rutherford, (SR) Tara Spiers, (TS) Andrew Walker-Okeover, (AWO) Mike Wilson, (MW), by MS Teams Iain Wood, (IW), by MS Teams Keith Young, (KY)
Co-optee:	Martin Gardner, (MG)
Invitees:	Craig Stewart, (CS), Aberdeenshire Council Sean Stanton, (SS), Ghillies Representative
In attendance:	Lorraine Hawkins, (LH) Carol Mair, (CM) Edwin Third, (ET)
Apologies:	Andy Ford, (AF) - CNPA Isla Martin, (IM) - NatureScot
Members of public:	Ken Reid

The Board were reminded of their responsibilities to the Dee DSFB and to state whether they had any declarable interests in agenda items.

If any matters discussed in the Board meeting were deemed to be confidential then the Members of the Public would be asked to leave.

1. Stage 2 Complaint

LR called the Board members to the table and asked the invitees and attendees to wait until the stage 2 complaint had been addressed by the Board members.

Ken Reid was welcomed and asked to sit to hear the Board's review of his complaint.

The Chairman led the review: This is the opening item on the Agenda for the Board Meeting on 28th September, 2023. Ken Reid issued a letter of complaint on 13th June, 2023 which was responded to on 26th June. You have seen this correspondence. For convenience, it was issued to you again, along with the Board meeting papers, along with Ken Reid's email of 19th July escalating his complaint to Stage 2. Also with this note was a copy of the Board's procedure for handling complaints. This is available to the public on our website. You will see from Ken Reid's email of 19th July that he is of the opinion that the Stage 1 response from the River Director and Clerk to the Board to his original complaint does not address his concerns adequately. Unfortunately, he has not explained why. According to the complaints' procedure, Stage 2 requires the Board to review the response to the original complaint. The complainant is entitled to attend the meeting and observe the review process but not to ask questions or make comments. Therefore, we are going to have to conduct an exercise whereby I will check with Board Members present whether they are satisfied or not that each of the items in Ken Reid's letter of 13th June have been adequately addressed.

The heading for each element of the complaint letter was read out by LR, asking if the complaint has been addressed adequately.

Stocks and stocking	All Board members agreed the response had been adequate.
Pollution	All Board members agreed the response had been adequate.
Smaller smolts & reports	All Board members agreed the response had been adequate.
Seals	All Board members agreed the response had been adequate.
Pink Salmon	All Board members agreed the response had been adequate.
Communications	All Board members agreed the response had been adequate.
Finance	This section had dealt with a misinterpretation of the Board's finances by Mr Reid. All Board members agreed the response had been adequate.
Fish Disease	All Board members agreed the response had been adequate.

The Board members having already reviewed the initial complaint and response at the Board's meeting on 27th June (see AOB on the minutes 27th June) and having been given fresh copies of the correspondences prior to this meeting to refamiliarize themselves had no comments to make regarding any inadequate answers to the complaint and indeed found that the response letter had adequately covered all the points raised.

Mr Reid was thanked for attending and invited to remain to watch the remainder of the Board meeting.

LR called on the Invitees and staff members to take their place at the table.

2. Apologies

As noted above.

3. Chair's Introduction

Following on from the Stage 2 complaint process that we have just completed, I can confirm that we responded to all complaints and indeed letters of concern which were not official complaints. In the case of the latter, individuals were offered to have a direct conversation with either the Chairman or the River Director. None have taken up the offer.

Sam Fleming from SEPA is absent today because SEPA has decided to no longer send representatives to meetings of any Fishery Board. Regardless of that decision, we should record an official vote of thanks to Sam who has been helpful towards the Board during her many years of service. This was endorsed by LH on behalf of the River Office.

We are clearly heading for the worst season on record for catches. We will be lower than 2015 (2,507) and 1999 (2,771). It is interesting to note that the 1999 season figure was six fish less than the 1955 catch for the month of February alone. The picture on the Dee is shared around the Atlantic. During this meeting and the AGM and APM that follow we will be giving further detail on the direct measures proposed to aid survival of the stock in our river.

4. Minutes and Matters Arising from meeting on 27th June 2023

The Minutes of the meeting 27th June had been circulated and approved on 24th July 2023.

Matters Arising

There was an action under item 10 for Al Reeve's written note to be passed to SS for dissemination to the ghillies. This was done the day after the meeting.

SS confirmed it had been a good note.

In addition, there was an undertaking to expand on the FAQ section on the website to cover common points appearing in letters of complaint. This has not yet been done. LH has undertaken to see it is done soon after this meeting. It could incorporate any additional items that emerge from this evening's meeting.

All other matters are covered by the Agenda.

5. Finance

a. Financial Update to 31st August 2023

The financial update had been issued to the Board members prior to the meeting.

LH briefly updated the meeting. Income to end of August was £275,235, expenditure was £272,370. Nothing to highlight against budget. Amount in the bank as of today is £94,876. The large contracts that we've recently had are being handled carefully to avoid any cash flow issues. The Board is on target for income and expenditure.

CM informed that there was no change to assessment figures received. Reminders will be issued for assessment payments.

b. Draft Accounts for YE 31 March 2023

Lawrence Ross informed the meeting that the Board had budgeted for a loss of £46,000 and at the end of the year produced an actual loss of £3,000 – an improvement of £43,000. In cash terms, i.e. excluding depreciation of assets, the budgeted loss was £33,000 but the end result was positive net cash of £7,000. We always suspected that we would do better than budget but at the time it was set there was much uncertainty over the level of project income. Some modest overhead savings were made but it was the additional project income that contributed 70% of the positive variance of £43,000.

This year we have produced a financial analysis of activities to show how the Assessment is spent and separately the external funds raised for projects. The critical element here is staff costs. The formal accounts show our total staff costs as £453,900. The total salary contributions from the list of projects in the analysis is £170,926. This is 38% of the gross staff costs of £453,900. The true staff cost for Board activities alone is under £300,000. In terms of numbers of employees, the Board has a total of eleven, three have all their salary covered by third party activity and six have partial cover. So long as we engage in supporting activities beneficial to our Proprietors and financed by third parties this situation can persist. Once the party funding drops off so will the employee numbers.

The working capital increase and cash reduction are largely influenced by the transfer of the Garlogie Dam removal funds to the River Dee Trust, which is where they should always have been.

VB stated he hoped the proprietors realise what income is received from and costs covered by third party monies.

LR confirmed that the financial analysis, which shows this, would be covered for the proprietors at the AGM.

c. Assessment 2024/25

LR advised the Board members that they are supposed to give an indication of the Assessment for the next financial year. At a previous Board meeting there was a sense that we should try to keep pace with inflation especially as our primary overhead – salaries – is almost inevitably going to do the same i.e. reflect inflation at least and have grade/merit increases on top.

Given that last year's rise was 7.5% and that Proprietors' incomes will doubtless be under pressure after the appalling fishing season, we may want to exercise restraint.

LR asked the Board members for their thoughts on a suitable rate, considering inflation is currently running at 7%.

The Board members points for discussion were;

- Save money by reducing/cancelling the opening ceremony.
- Hold off on sale of property currently and work from current reserves.
- To avoid salary erosion the current inflation rate is 7%.
- If assessment is not pegged to inflation, then it will need a larger increase at some point in the future.
- Proprietor income is down. Prices should go up but is difficult in current times.
- Should we set a lower % and use reserves for the shortfall?
- We need to consider how setting a lower rate will eat into our working capital.
- We can't keep selling properties indefinitely.
- Doesn't like a price increase as proprietors are squeezed by reduced income and assessment payments.
- Should we revisit this item once the board has discussed the agenda item on fish stocks?

- Agree 7%. Should we increase at 7% over the next three years and maybe get ahead of the game?
- Agree peg to inflation each year.
- Should we use rate at end of December? (CM pointed out that the rate gets announced at the AGM so if a December (2023) rate is chosen then that can't be announced till the following AGM (2024) to become effective from the following April (2025))
- Reducing and absorbing costs is wrong. We should stand firm about what we are doing for salmon stocks.
- Regarding the property in Aboyne the Board has already agreed this would get sold if the current tenant vacates.
- Borrowing would be based on asset strength.
- If the Board wish to do something new then the money has to come from somewhere. Would we get third party monies?
- Agree we need to find third parties to finance bigger projects. We need to have project costings to approach funders.
- Believe angling costs should go up but that is up to individual beats – that is not a Board decision.

The Board discussed all the above and agreed that the RPI at 31st August would be used in future for the increase to be announced at the following AGM to inform the proprietors of the assessment for the following year.

For the announcement tonight, to be effective from 1st April 2024, the Board agreed to use a rate reduced from the 7% inflation rate to 3% with effect from 1st April 2024. This was agreed on a vote of 8 for 3% and 3 against 3%, with those members preferring the 7%.

d. Projects & Contracts

LH informed the Board that the Don DSFB have asked us to continue the SLA, once the current 5-year term ends on 31 March 2024. Same financial arrangements as before, increasing by RPI over the next 5 years.

The NRF application for Cattie burn restoration was successful. This is a project on Ballogie Estate (£230K).

6. Restoring Spring to the Dee

LH informed the Board that this is the joint programme of work between DDSFB, RDT and Atlantic Salmon Trust, which sets out restoration programme over the next 20 years. The main focus of the programme is habitat restoration on a landscape scale, to create catchment resilience and ensure salmon populations survive in the changing climate. It also includes novel conservation translocation methods, including Smolt to Adult Supplementation (SAS) and Kelt Reconditioning (KR), investigations into the marine transition phase, all wrapped up in a lot of monitoring, including genetics, communications and stakeholder engagement.

We are launching it publicly at the AGM. We are also looking to do a winter event with presentations and drop in sessions.

For this to be delivered, the most urgent requirement is to get a new post – a Programme Coordinator - in place. We've made a good start with key stakeholders such as agencies, but if we don't maintain momentum we will see their interest and support wane. We will also be looking to have a part time research assistant to follow up on the work delivered by Forth Rivers Consulting, starting to use the tool that they have developed to investigate our data spatially and carry out landscape scale analyses – this will give us the blueprint of our 20-year restoration programme.

Funding update: we were invited to apply for corporate funding, we made it through to the top 4-5 globally, but unfortunately, we ultimately weren't successful. We were the only project chosen for the North Sea area, and the North Sea Team are now looking to see if they can fund any of the programme's components. Their international digital team are also interested in seeing if they can fund any aspects, so I do think we are going to get some level of funding from them.

One of the benefits of partnering with AST is that we can take a joint approach to fundraising, and we are in the process of making approaches for further funding which we see being a mix of corporate and private donations.

The most urgent thing is getting a post in place to really drive progress. We have approached Edward as the DSFIA chair who may be able to offer some immediate funding. We are looking to match it and then we will recruit someone to the role.

In terms of the conservation translocation, the most urgent thing is collecting kelts, which will begin in November. To enable us to do this, we need a broodstock licence and our application has been submitted. However, we will also need to do an Habitat Regulations Appraisal to satisfy NatureScot and then we have a much larger HRA to do around the use of conservation translocation.

Finally, we have been starting to explore how best to deliver this programme, and whether a third organisation – a Special Purpose Vehicle (SPV) – is useful. The programme is seeking a huge amount of funding to deliver the scale of work we are proposing, and we need to be able to fundraise specifically for that, restrict funds raised for it, assure funders that their donations will be used for the purpose – ie. Demonstrate an asset lock, ensure the programme has its own legacy so that it can continue even in the absence of the Board and Trust, and protect the Board and Trustees from liability associated with big projects. In the future, green finance may also be an important fund, and so having a vehicle ready to go will be helpful.

We are exploring various types of organisations including Scottish Charitable Incorporated Organisations and Community interest companies.

The Board members considered the above and asked the following questions.

Would the SPV be owned by the Dee DSFB?	It would be an independent organisation.
Who would be on the Board of the SPV?	Maybe one member from the Dee DSFB, one from the River Dee Trust, one from AST and maybe one or more independents. This removes liability from the Dee DSFB.
How would it operate?	The work would be undertaken by our staff, contracted to the SPV, but the monies would be ringfenced in the new organisation.
What would enable us to achieve the funding for translocation, which is expensive?	Possible investors are being taken out to the Muick next week.
We are proposing to translocate a small number of fish. Would a bigger number be more appealing?	Our funding requirements are more to accomplish restoration rather than just fish numbers. We would be dealing with 1 to 3 tributaries, 20 hens, 200 smolts. This would give an increase then for stocks to rebuild further.
The Lochy used smolts 400 in their first year.	Their current licence application has been rejected. Our figures are based on the Ness.
Proprietors may ask if fish numbers go down then why have a fishery board.	Yes and so the SPV would not be affected by that.
Why would the SPV survive if there were no fish?	It might exist purely to contract people to finish the project.

The Board did not make any decision at this meeting and a format will be worked up to present at the next Board meeting.

ACTION: LR/LH

7. FishDee

EH updated the Board members on FishDee.

- Contract still not finalised. There is a problem regarding data protection.
- FishDee has taken £175,000 of bookings so far this year compared to £202,000 in 2022.
- This represents 1041 bookings compared to 1271 in 2022.
- While the majority of beats pay up and have no problems using the website, around 20% are continually late in paying and one or two more are trying to find ways of not paying at all.

8. DSFIA

EH updated the Board on the complaint letters sent to the DSFIA.

- On 20th June a letter was received from the Trembaths asking for the Dee Board to step down.
- Ken Reid's complaint letter asked for it to be forwarded to the DSFIA. After clarification with the Clerk this was done. Ken Reid was informed of this and he acknowledged my email.
- The Standing Committee met on 6th July to discuss the Trembath letter and although other letters of complaint had been forwarded to the Dee DSFB they could not be discussed as they were still confidential. However, I wrote to the Board Chairman on 7th July and you all received a copy of that letter. The Chairman replied on 7th August and some members of the Standing Committee were not satisfied with his reply.
- While it was agreed that an EGM of the proprietors was the last option, it was agreed to hold a further meeting of the Standing Committee with the Board Chairman and the River Director on 13th September to which all members of the Standing Committee were asked to provide questions they wished to see answered. This meeting, for which a minute has been prepared, was well received by those present.
- As you will be aware in the ghillie's letter, a request was made by the ghillies when forwarding their letter of complaint, that it was shared with all DSFIA members and I can confirm that their letter, plus the Clerk's reply was sent to all proprietors on 8th August.

There were good discussions at the meeting and a lot of the issues were resolved.

MW asked for copy of the minutes of the meeting. EH will check to see if the minutes can be issued.

9. River Report

The Progress Report had been issued with the Board papers.

The Board members were asked for any questions they had on the report.

The Board members asked if NatureScot were dragging their feet over approving the goosander licence. LH confirmed they don't seem to be out of kilter with their usual timescales.

The Board members asked if the birds would be male or female? LH confirmed it would be both taking 20% in November and 80% in spring, of the licence quota. ET confirmed if after May then it would be only males at that time.

10. Ghillies Representative

SS informed the meeting that there were no questions from ghillies as they are waiting to see what the Board is planning and then see what they need answered at the forthcoming meeting set for 7th November.

LH confirmed that no questions had been received at the River Office. Hopefully at the APM later tonight they would hear the Board's plans and they will have an opportunity to ask questions under the agenda item for Questions from Members of the Public.

SS updated the Board on his recent, month of August, time spent on the Ranga, Iceland, which is one of the biggest stocked rivers and asked if there is anything the Dee can do on a smaller scale?

Due to the volcanic soil there is only one place fish can spawn, which is below the waterfall. As there is no access to the river above the waterfall, a fish ladder is used to take the original progeny up the waterfall. Originally wild fish were taken. They use a ranch system where fish over 10lbs over used, only 220 females are required for the East Ranga. The fish are taken to the hatchery, which is 3 hours away, and the only cost is for the hatchery services. The hatchery services nine rivers. The fish are graded as they go and released as parr into "release ponds" to finally be released to the river when they smolt, a minimum of 500,000.

There is a cost of €500,000 each year and this is funded by the farmers with the rent paid by anglers. 90% of the fish are caught and killed. They have no predators to deal with.

The Board thanked SS for his information. However, this system deals with a river which has no natural salmon to interfere with, it doesn't flood and their smolts are safe. We cannot do, on the main stem, what they do.

11. AOB

LH confirmed we have responded to the River Gradings consultation.

TS reminded the Board that the River Dee Trust auction is still looking for more lots, particularly non fishing items. Please contact either Debbie Cooper or herself if you have anything to offer.

AWO asked if we would keep applying for a seal licence, as we didn't get one this year. LH confirmed that questions are being asked of Marine Directorate to sort this issue. FMS are dealing with government on behalf of the Boards.

The next meeting of the Dee DSFB will be on 14th December 2023 at 10:00, venue to be confirmed.

11/11/23

Signed……………………………………………………………………….. **Date……………………………………………**
Lawrence Ross, Chairman