

**REPORT TO:** NEIGHBOURHOOD RESOURCES AND DEVELOPMENT COMMITTEE  
- 13 MAY 2002

**REPORT ON:** ARDLER NEW HOUSING PARTNERSHIP – THE VILLAGE TRUST  
COMPANY

**REPORT BY:** DIRECTOR, NEIGHBOURHOOD RESOURCES AND DEVELOPMENT

**REPORT NO:** 337-2002

## **1.0 PURPOSE OF REPORT**

- 1.1 To seek approval for the establishment of Ardler Village Trust as a company limited by guarantee with charitable status. The report also seeks approval of Council nominations to the new Company.

## **2.0 RECOMMENDATIONS**

It is recommended that the Committee:

- 2.1 agrees the draft Memorandum & Articles of Association as circulated to the Group Secretaries which are necessary to form the Ardler Village Trust as a Company limited by guarantee with charitable status.
- 2.2 authorises the Interim Ardler Village Trust Company to seek registration and recognition from the Title Examiner in order to gain charitable status.
- 2.3 approves the nomination of 4 Council representatives as Directors as follows:

The Director of Housing or nominee  
The Director of Planning & Transportation or nominee  
The Director of Neighbourhood Resources & Development or nominee  
The elected Ward Councillor or elected member nominee

and authorises the attendance of a range of Service Department Officers to discharge consultation, professional and administrative duties on behalf of the new Company and the Council.

- 2.4 requires the new Company to hold relevant and adequate insurance cover to indemnify all Directors and Council servicing personnel against litigation whilst pursuing the Company's business and decision-making.
- 2.5 notes the interim financial support arrangements for the new Company as per para 3 below.

## **3.0 FINANCIAL IMPLICATIONS**

- 3.1 Sanctuary Scotland, a major partner in this development, has made interim financial provision of £20,000 per annum for 7 years and £5,000 per annum thereafter to assist with the support of the new Company's financial commitments. The remaining partners will offer support in kind or finance to allow the Company to develop a longer term financial business plan.

3.2 The Development Contract allows for uncommitted monies within the New Housing Partnership community facilities budget to be transferred to the Village Trust on completion of the development.

3.3 The major partners have also identified possible external funding opportunities which may be open to the new Company on completion of Company registration and charitable recognition status.

#### **4.0 LOCAL AGENDA 21 IMPLICATIONS**

4.1 None.

#### **5.0 EQUAL OPPORTUNITIES IMPLICATIONS**

5.1 The achieving of charitable status will commit the Company to work for the greater public good of the residents of the Ardler area irrespective of colour, gender, belief or economic status. Such commitments will subject the new Company to legal requirements set both by the Charity Commissioners and the Registrar of Companies in the discharge of operational duties, finance and decision-making.

#### **6.0 BACKGROUND**

6.1 Report No 370-2001 approved on 11 June 2001 by the Neighbourhood Resources & Development Committee authorised preparation work to be developed for the establishment of the Ardler Village Trust Company with specific roles and responsibilities (see para 6.1).

6.2 The Interim Village Trust has engaged external legal advice to develop the Company limited by guarantee "Memorandum & Articles of Association" draft copies of which have been provided to Group secretaries. With Council approval it is the Trust's intention to seek formal legal registration with the Registrar of Companies and recognition from the Title Examiner of the Inland Revenue for charitable status.

6.3 Appendix 1 outlines the provisional membership of the new Company. The Chief Constable, Firemaster, Tayside Primary Care NHS Trust and Communities Scotland have also indicated their support for the new Company but are unable to accept Director nominee status for policy/legal reasons. It is proposed that the Council be represented on the Trust Company by Director nominees as follows:

The Director of Housing or nominee

The Director of Planning & Transportation or nominee

The Director of Neighbourhood Resources & Development or nominee

The elected Ward Councillor or elected member nominee

All above Directors will hold full Directors' powers and voting rights which will require to be discharged for the primary well-being of the Company's stated objectives and obligations. This will require all Directors to ensure outside interests are declared when relevant to voting issues.

6.4 In the course of Company business it will be necessary for a range of Council staff to work with the new Company to advance issues of mutual interest.

6.5 The Director of Finance will be consulted to ensure adequate insurance liability cover is in force to indemnify the Company Directors and servicing professional/administrative personnel in the discharge of the Company's operational business and decision-making.

**7.0 FUTURE POSITION**

- 7.1 It is the Company's intention to develop a sustainable financial base to allow it to discharge its core functions after completion of the New Housing Partnership development.
- 7.2 The proposed legal recognition of an organisation committed to the well-being of local residents, ongoing collaboration over partner service delivery and the improvement of local facilities and services will assist all Community Planning agencies to access local consultation over the ongoing and future needs of local residents. More importantly, the involvement of local people within the decision-making structures offers all key partners opportunities to decentralise decision-making and build on the community's capacity to become involved in the shaping and development of future services.
- 7.3 The Trust Company's objectives are widely defined to allow maximum opportunity for planning development and flexibility.

**8.0 CONSULTATION**

- 8.1 The Chief Executive, Directors of Housing, Finance, Support Services, Corporate Planning and Planning & Transportation have been consulted in the preparation of this report. The Interim Ardler Village Trust Company have agreed in principle to the content of the draft Memorandum & Articles of Association tabled for Council approval.

**9.0 BACKGROUND PAPERS**

- 9.1 The following background papers as defined by Section 50D of the Local Government (Scotland) Act 1973 were relied on to a material extent in preparing the above Report.

Report 370-2001 Ardler New Housing Partnership – The Village Trust Company approved 11 June 2001 Neighbourhood Resources and Development Committee.

Draft Memorandum & Articles of Association – Ardler Village Trust Company – March 2002 (copies provided to Group Secretaries).

**Director, Neighbourhood Resources and Development** .....

**Date** .....

APPENDIX 1

PROPOSED COMPOSITION - ARDLER VILLAGE TRUST COMPANY

Representative Directors or Nominees	Sub Total	Total
• Director of Housing	1	
• Director of Planning & Transportation	1	
• Director of Neighbourhood Resources & Development	1	
• Elected Ward Councillor	1	
• Sanctuary (Scotland) – 2 nominees	2	
• Commercial nominee	1	
☐ Chalmers Ardler Church	1	
☐ St Leonard's & St Fergus Church	1	
☐ Ardler Information Point	1	
☐ Ardler Complex Management Group	1	11
<b>Elected Directors</b>		
6 Community Representatives		6
		17

Suggested Maximum Number of Directors      20  
 Existing Balance    • Statutory Agencies            7  
                              ☐ Voluntary and Community      10