

**ARGYLL COMMUNITY HOUSING ASSOCIATION BOARD**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The Council had been asked by Argyll Community Housing Association to comment on a proposal to reduce the Council representation on their board from 5 to 3.
- 1.2 The reasons for the request are set out in the appendix to this report.
- 1.3 When the Council considered the matter in April it was not clearly understood that the Council had in effect a veto on the proposal and the decision of no action taken at that time was not as was understood a neutral response but rather a negative one. It is therefore recommended that the Council reconsider the proposal in light of this new information and provide a further response to the association

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**2.0 INTRODUCTION**

2.1 The Council has been asked by Argyll Community Housing Association to comment on a proposal to reduce the Council representation on their board from 5 to 3.

2.2 The reasons for the request are set out in the appendix to this report.

**3.0 RECOMMENDATIONS**

3.1 It is recommended that the Council give further consideration to the proposal in light of the additional information and provide a further response to the Association.

**4.0 DETAIL**

4.1 The memorandum and articles of association of the Argyll Community Housing Association [ACHA] provide for the Council to appoint 5 members to the board.

4.2 The Association made contact with the Council to seek a view on the suggestion of reducing the Council representation on the board as part of an overall streamlining of their governance arrangements. They propose reducing the representation to 3 from the current 5 appointees.

4.3 The Association has been asked to provide detail around the proposal and that is attached as appendix 1 to this report.

4.4 The Council has the opportunity to endorse the suggestion or to seek the status quo or to propose some other level of representation. When the Council determined the matter in April it was not clearly understood that the Council had in effect a veto on the proposal and the decision of no action taken at that time was not as was understood a neutral response but rather a negative one. It is therefore recommended that the Council reconsider the proposal in light of this

new information and provide a further response to the association.

## **6.0 IMPLICATIONS**

- 6.1 Policy - The Council is keen to work constructively with key partners within the Council area.
- 6.2 Financial - None
- 6.3 Legal - Any change would require to follow due process for such matters.
- 6.4 HR – None
- 6.5 Equalities - None
- 6.6 Risk - None
- 6.7 Customer Service - None

### **Executive Director of Customer Services**

**Policy Lead Dick Walsh/Robin Currie**

8 April 2015

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## **APPENDICES**

### Appendix 1 – Reasons for Proposal from ACHA

The context of the request ties in with ACHA's most recent governance review. ACHA's Board is one of the largest in the Registered Social Landlord sector in Scotland. There were good reasons for that at the point of stock transfer. The cost of governance and the wish to get better value from our structures resulted in ACHA taking forward a number of changes. The proposal to reduce Councillor numbers from 5 to 3 was one small part of that. At the time of stock transfer in 2006, 5 Councillors were on ACHA's Board and that is in our current Rules. This was entirely understandable because of the embryonic nature of the new organisation and the Council's wish to have a 25% presence on the Board. Eight years on the Association and the Council have a good working relationship and ACHA has been delivering its objectives. Councillor representation on association Boards in Scotland is normally one or at most two Councillors. ACHA's proposal is to revert to three which I believe would still have the highest Councillor presence in any housing association in Scotland.