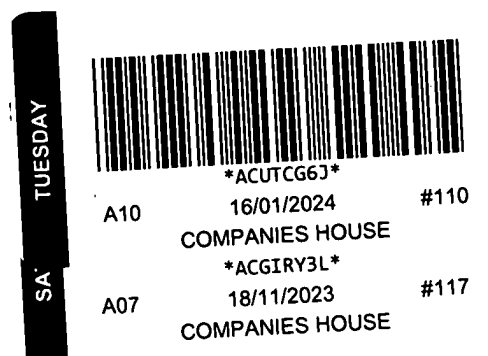


The Companies Act 2006  
Community Interest Company Limited by Shares

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Articles of Association  
of  
Provide Community Interest Company

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## **CONTENTS**

<b>Clause</b>		<b>Page</b>
1	NAME	2
2	COMMUNITY INTEREST COMPANY	2
3	OBJECTS	2
4	POWERS	3
5	LIMITED LIABILITY	3
6	GOVERNANCE	3
7	MEMBERS	5
8	MEMBERS' MEETINGS	7
9	COUNCIL OF GOVERNORS	11
10	BOARD OF DIRECTORS	18
11	REPORTING	24
12	CHANGE	26
13	SHARE CAPITAL	27
14	SHARE CERTIFICATES	28
15	REPLACEMENT SHARE CERTIFICATES	28
16	PROCEDURE FOR DECLARING DIVIDENDS	29
17	ADMINISTRATIVE	29
18	TRANSITION PROVISIONS	31
19	INTERPRETATION	32

**The Companies Act 2006**  
**Articles of Association**  
**of**  
**Provide Community Interest Company (CIC)**

**1 NAME**

1.1 The Company is called Provide CIC (the “Company”).

**2 PROVIDE COMMUNITY INTEREST COMPANY**

2.1 The Company shall be a community interest company.

2.2 The Company is not established or conducted for private gain: any profits or assets are used principally for the benefit of the community.

**3 OBJECTS**

3.1 The Company's object is to carry on business in relation to health and well being for the benefit of the community, including (without limitation):

3.1.1 providing and developing community care and wellbeing services that benefit the community either directly or in-directly

3.1.2 providing high quality accessible services that empower our customers;

3.1.3 being a driving force for innovation in the delivery of services in people's homes communities and other settings; and

3.1.4 being regarded as a leading provider for community services primarily in the East of England and adjoining areas of London but potentially across the UK and beyond should the right opportunity arise.

3.2 The Company is committed to:

3.2.1 following the values of Care, Innovation and Compassion; as well as the principles which guide the NHS

3.2.2 partnership working and staff involvement (in which context the Company recognises that the participation of trade union representatives in the partnership process can contribute to improved services to patients and users);

3.2.3 co-operating with commissioners of all health, social care and public health and wellbeing services and other related organisations (including Learning Disabilities and Mental Health);

3.2.4 minimising the impact of its operations on the natural environment with a commitment to a sustainable environment

3.2.5 retaining profits and applying them to achieve the Company's objects/purposes; and

3.2.6 working to and promoting co-operative principles for the benefit of the community.

#### **4 POWERS**

4.1 To further its objects the Company may do all such lawful things as may further those objects and, in particular, but without limitation, may borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds.

#### **5 LIMITED LIABILITY**

5.1 The liability of the Members is limited to the amount, if any, unpaid on the shares held by them.

#### **6 GOVERNANCE**

##### **Overview**

6.1 The Company has Members, a Council of Governors, and a Board of Directors. It also has a Secretary.

##### **Governing documents**

6.2 These Articles set out the way in which the Company is owned, organised and governed.

6.3 The Company or the Board of Directors may from time to time establish or amend, in addition to these Articles, any requirements in the form of codes of conduct, standing orders, terms of reference or otherwise as they think fit for the management or governance of the Company, and any such requirements shall not be inconsistent with these Articles.

6.4 In these Articles, words starting with a capital letter (like Articles) refer to something specific, and Article 18 (Interpretation) identifies the Article which makes this apparent.

##### **Members**

6.5 Membership is the means by which the Company is owned by the persons who are employed by the Company (including its subsidiaries) in accordance with Article 7.2.

Membership provides Members with, amongst other things, access to information, a voice in the Company, and the opportunity to be elected to a representative role in its governance.

#### Information

6.6 Members are entitled to receive information about the Company and its business, as provided in the Articles.

#### Voice

6.7 Members have a voice in the Company's affairs as provided in the Articles, by:

6.7.1 attending, speaking and submitting motions to be considered at Members' meetings;

6.7.2 voting at Members' meetings; and

6.7.3 electing representatives to the Council of Governors.

#### Representation

6.8 Subject to qualification criteria as set out in Article 9.4, the Articles allow Members to stand for election to the Council of Governors.

#### **Council of Governors**

6.9 As provided in the Articles, the Council of Governors represents Members and stakeholders and is a link between the Members, the community and the Board of Directors.

6.10 The Council of Governors has certain specific functions which are set out in the Articles.

6.11 Individual Governors are expected:

6.11.1 to promote and encourage participation by Members and the community in the Company's affairs; and

6.11.2 to strive to ensure that the relevant interests of the community (including all stakeholders) served by the Company are appropriately represented,

but individual Governors have no authority to make decisions on behalf of the Company or to act in the name of the Company.

#### **Board of Directors**

6.12 Subject to the Articles, the Board of Directors manage the affairs of the Company and may exercise all of its powers for any purpose connected with the affairs of the Company including overseeing the operation and administration of the Council of Governors

as set out in these Articles and its compliance with any applicable law and regulations.

6.13 The Board of Directors may delegate its functions in accordance with the Articles and any standing orders or other requirements referred to in Article 6.3. The Board of Directors may revoke any delegation in whole or in part, or alter the terms and conditions on which any delegation is established.

### **Secretary**

6.14 The Secretary is secretary to the Company, and acts as secretary to the Board of Directors and the Council of Governors.

## **7 MEMBERS**

7.1 The Members of the Company are those whose names are listed in the Register of Members.

7.2 Membership is open to any person who is employed by the Company (or by one of its wholly owned subsidiary companies) under a contract of employment which is permanent or which exceeds a period of eleven months. New employees will be enrolled as members unless they express in writing to the Company Secretary their wish not to be a member

7.3 As members are enrolled, a £1 ordinary share will be allocated to them and £1 will be deducted from their pay.

7.4 The Company shall at all times ensure that the Council of Governors, acting in the interests of the Members, has in place and pursues a strategy relating to membership, the activity of Governors and the Company's interaction with the community (the Governors' Strategy), which shall be prepared and approved by the Council of Governors and reviewed bi-annually. The Council of Governors shall present to each annual Members' meeting a report on:

7.4.1 the progress of the Governors' Strategy; and

7.4.2 any changes to the Governors' Strategy.

### **Cessation of Membership**

7.5 A Member ceases to be a Member of the Company in the following circumstances:

7.5.1 they die;

7.5.2 they cease to be employed by the Company or resign in writing;

- 7.5.3 they inform the Company in writing that they no longer wish to be a Member;
- 7.5.4 they cease to be entitled under the Articles to be a Member and are removed from the Register of Members;
- 7.5.5 the Secretary removes them from the Register of Members, after completing procedures approved by the Council of Governors, on the grounds that:
  - 7.5.5.1 the Company has lost contact with the Member; or
  - 7.5.5.2 they are no longer interested in continuing as a Member;
  - or 7.5.5.3 they are expelled from membership under the Articles.
- 7.6 A Member may be expelled by a resolution approved by not less than two-thirds of the Governors present and voting at a Governors meeting. Each of the following procedures is to be adopted:
  - 7.6.1 any Member may complain to the Secretary that another Member has acted in a way detrimental to the interests of the Company;
  - 7.6.2 if a complaint is made, the Council of Governors may itself consider the complaint having taken such steps as it considers appropriate to ensure that each Member's point of view is heard and may:
    - 7.6.2.1 dismiss the complaint and take no further action;
    - 7.6.2.2 for a period not exceeding twelve months suspend the rights of the Member complained of to attend Members' meetings and vote under the Articles; or
    - 7.6.2.3 arrange for a resolution to expel the Member complained of to be considered at the next Governors' meeting;
  - 7.6.3 if a resolution to expel a Member is to be considered at a Governors' meeting, details of the complaint must be sent in writing to the Member complained of not less than one calendar month before the meeting with an invitation to answer the complaint and attend the meeting;
  - 7.6.4 at the meeting the Council of Governors will consider evidence in support of the complaint and such evidence as the Member complained of may wish to place before them;
  - 7.6.5 if the Member complained of fails to attend the meeting without due cause the meeting may proceed in their absence; and
  - 7.6.6 a person expelled from membership will cease to be a Member upon the

declaration by the chair of the meeting that the resolution to expel them is carried.

7.7 No person who has been expelled from membership is to be re-admitted except by a resolution carried by the votes of two-thirds of the Governors present and voting at a Governors' meeting.

7.8 Where a Member ceases to be a member, they will relinquish their share and the share capital they have paid will be donated to a charity as chosen by the Board. For the avoidance of doubt, the share capital will not be repaid to the former Member.

## **8 MEMBERS' MEETINGS**

8.1 Every year, the Company shall hold an annual Members' meeting.

8.2 Any other Members' meetings are special Members' meetings.

8.3 The Board of Directors (except where otherwise provided in the Articles):

8.3.1 convenes Members' meetings;

8.3.2 decides the date, time and place of any Members' meeting and of any adjourned Members' meeting;

8.3.3 decides whether a Members' meeting will be held at more than one location, and if so, whether simultaneously or at different dates and/or times: and,

8.3.4 decide whether the meeting should be held virtually (via electronic methods).

### **Annual Members' meetings**

8.4 The functions of the annual Members' meeting shall include:

8.4.1 receiving from the Board of Directors the Annual Accounts for the previous financial year; a report on the Company's performance in the previous year, and forward plans for the current year and beyond;

8.4.2 Receiving from the Council of Governors a report on the Governors' Strategy and any changes to it and a statement confirming the names of current Governors and the results of any elections or appointments made since the last annual Members' meeting.



### **Special Members' meetings**

- 8.5 Special Members' meetings are to be convened by the Secretary either:
- 8.5.1 by order of the Board of Directors; or
  - 8.5.2 if a written requisition signed (except where these Articles say otherwise) by not less than 10% of all Members is delivered (addressed to the Secretary) to the Company's registered office.
- 8.6 Any special Members' meeting must state the purpose for which the meeting is to be convened.
- 8.7 If the Secretary is not within the United Kingdom or is unwilling to convene a special Members' meeting, any Director may convene the meeting.
- 8.8 A special Members' meeting called in response to a Members' requisition under Article 8.5.2 must be held on a date not more than 28 days after the date on which the requisition is delivered to the registered office.
- 8.9 Any special Members' meeting is not to transact any business other than that set out in the requisition in accordance with Article 8.8 and/or the notice convening the meeting.

### **Notice of Members' meetings**

- 8.10 Other than a Members' meeting that is called in response to a Members' requisition under Article 8.5.2, notice of a Members' meeting is to be given at least 14 clear days before the date of the meeting:
- 8.10.1 in hard copy form; or
  - 8.10.2 in electronic form; or
  - 8.10.3 by notice on the Company's website to Members.
- 8.11 The notice must be given to Directors, Governors and the Members and it must:
- 8.11.1 state that it is a notice of a Members' meeting and whether the meeting is an annual or special Members' meeting;
  - 8.11.2 give the time, date and place of the meeting; and
  - 8.11.3 set out the business to be dealt with at the meeting.
- 8.12 In every notice calling a Members' meeting there must appear with reasonable prominence a statement informing the Member of their rights to appoint another person as their proxy at a Members' meeting.

### **Procedure at Members' meetings**

**8.13 Members' meetings are open to all Members and non-executive Directors but not to the public unless the Board of Directors decides otherwise. The Board of Directors may invite particular individuals or representatives of particular organisations to attend a Members' meeting.**

**8.14 Before a Members' meeting can do business there must be a quorum. Except where these Articles say otherwise, a quorum exists of:-**

**8.14.1 a minimum of 100 Members (which includes any proxy attendees or voters) are present; or**

**8.14.2 10% of the Members entitled to vote at the meeting (which includes any proxy attendees or voters) are present whichever is the higher**

**8.14.3 For the avoidance of doubt, the quorum shall include those voting by proxy and by postal and electronic means.**

**8.15 If no quorum exists within half an hour of the time fixed for the start of the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board of Directors determines. If no quorum exists within half an hour of the time fixed for the start of the adjourned meeting, the number of Members present during the meeting shall be deemed to constitute a quorum.. The Company shall not transact any business other than as set out in the earlier meeting had the adjournment not taken place.**

**8.16 It is the responsibility of the Board of Directors, the Chair of the meeting and the Secretary to ensure that at any Members' meeting:**

**8.16.1 the issues to be decided are clearly explained;**

**8.16.2 sufficient information is provided to Members to enable rational discussion to take place; and**

**8.16.3 where appropriate, experts in relevant fields are invited to address the meeting.**

**8.17 The Chair of the Board or in their absence the Deputy Chair of the Board, shall chair Members' meetings. If neither the Chair of the Board or the Deputy Chair of the Board are present, the Directors present shall elect one of their number to be chair and if there is only one Director present and willing to act they shall be chair of the meeting.**

### **Voting at Members' meetings**

**8.18 Subject to these Articles and to any Act of Parliament, a resolution put to the vote**

at a Members' meeting shall, except where a poll is demanded or directed, be decided upon by a show of hands.

8.19 The Board of Directors may introduce arrangements for Members to vote or to carry out any other appropriate act or requirement, including all connected and ancillary matters, by post or by using electronic communications.

8.20 On a show of hands and on a poll, every Member present (and where postal or electronic voting arrangements have been introduced, any Member who has voted in this way) is to have one vote. In the case of an equality of votes, the Chair will nominate a Board Member (Executive Director) present at the meeting to have a second or casting vote.

8.21 A person who is not a Member shall not have any right to vote at a general meeting of the Company; but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures.

8.22 Article 8.21 shall not prevent a person who is a proxy for a Member or a duly authorised representative from voting at a general meeting of the Company.

8.23 Unless a poll is demanded, the chair of the meeting will declare the result of any vote, which will be entered in the minute book. The minute book will be conclusive evidence of the result of the vote.

8.24 A poll may be directed by the chair of the meeting or demanded either before or immediately after a vote by show of hands by not less than one-tenth of the Members present at the meeting.

8.25 Unless these Articles or an Act of Parliament say otherwise, all resolutions are to be decided by a simple majority of the votes cast.

8.26 The Members may by special resolution direct the Directors to take, or refrain from taking, specific action. No such Members' special resolution invalidates anything which the Directors have done before the passing of the resolution. For the avoidance of doubt, nothing in this Article limits the rights of Members to make any other resolution.

#### **Content of Proxy Notices**

8.27 Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:

8.27.1 states the name and address of the Member appointing the proxy;

8.27.2 identifies the person appointed to be that Member's proxy and the Members' meeting in relation to which that person is appointed;

8.27.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and

8.27.4 is delivered to the Company by 48 hours before the Members' meeting and in accordance with any other instructions contained in the notice of the Members' meeting to which they relate. In calculating the period of 48 hours, no account shall be taken of any part of a day this is not a working day.

8.28 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes, including for the avoidance of doubt, in electronic form.

8.29 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

8.30 Unless a Proxy Notice indicates otherwise, it must be treated as:

8.30.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the Members' meeting; and

8.30.2 appointing that person as a proxy in relation to any adjournment of the Members' meeting to which it relates as well as the Members' meeting itself.

#### **Delivery of Proxy Notices**

8.31 A Member who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a Members' meeting remains so entitled in respect of that Members' meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.

8.32 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the Member by whom or on whose behalf the Proxy Notice was given.

8.33 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the Members' meeting or adjourned Members' meeting to which it relates.

### **9 COUNCIL OF GOVERNORS**

#### **Composition**

9.1 The Council of Governors comprises Governors who are elected by Members from their own body using election procedures approved by the Board of Directors. A minimum of 10 and a maximum of 3% of the total number of members (as reflected

in the most recently published annual report and accounts) shall be elected by the members as Governors. The exact number of Governors elected within this range shall be determined by the Board.

9.2 The Council of Governors shall in consultation with the Board of Directors seek to ensure that through its composition:

9.2.1 the interests of the community served by the Company are appropriately represented; and

9.2.2 the level of representation of Members strikes an appropriate balance having regard to their legitimate interest in the Company's affairs.

9.2.3 is representative of the Members in full across the whole Company so that the widest range of staff possible are included.

#### **Functions of Council of Governors**

9.3 The Council of Governors will perform the following specific functions in partnership with the Board:

9.3.1 Appointment and remuneration of the Chair of the Board by way of a majority decision through a panel which will comprise The Chair of the Council of Governors, the Vice Chair of the Council of Governors, one other suitably qualified governor, the Group Chief Executive and another Group Chief Officer as nominated by the Chair of the Council of Governors;

9.3.2 Appointment and remuneration of the non-executive Directors by way of a majority decision through a panel which will comprise The Chair of the Council of Governors, the Vice Chair of the Council of Governors, one other suitably qualified governor, the Chair of the Board and one other Director of the Company by way of a majority decision;

9.3.3 decide the remuneration and allowances, and the other terms and conditions of office, of the non-executive Directors through a panel which will comprise of The Chair of the Council of Governors, the Vice Chair of the Council of Governors, one other suitably qualified governor, the Group Chief Executive and one other Group Chief Officer as nominated by the Chair of the Council of Governors. This panel should meet on an annual basis. Where less than four out of five members of the panel agree expert advice will be sought and the panel will use its best endeavours to reach agreement taking into account the expert's advice in fulfilling their obligations to make a decision;

9.3.4 work collaboratively with the Board of Directors to:-

9.3.4.1 prepare the Company's visions and values which will be reviewed on a regular basis no less than every three years; and

- 9.3.4.2 develop the Company's strategy for submission to the Board for sign off.;
- 9.3.4.3 reflect the views of members and those working within the Company (and its wholly owned subsidiaries) who are not eligible for membership
- 9.3.5 Invite Stakeholder Experts to attend and contribute to Council of Governors meetings on a non-voting basis and on a basis which excludes them from being counted in the quorum for any meeting;
- 9.3.6 appoint a chair of the Council from amongst them by way of a simple majority vote by the members of the council. All Governors will be invited to nominate themselves for election as chair of the Council, and all Governors will have a single vote in an election. Where no candidate secures a majority, the candidate(s) with the lowest number of votes will be excluded and a further vote will be taken. This process will continue until one candidate secures a majority of the votes cast. Where remaining candidates all secure the same number of votes, the Chief Executive of the Company will have the casting vote. The successful candidate will be appointed as Chair of the Council for the remainder of their current term of office as a Governor. At the end of this term, and if re-elected as a Governor, this person will be eligible to stand as a candidate in a further election for a new chair of the Council.
- 9.3.6.1 The chair of the Council can be removed from office if in an agreed vote at a Council meeting, two thirds of those present (provided that they form a quorum) vote for such a removal. Once removed, the chair will continue to hold the office of Governor and will be entitled to stand as a candidate in future elections for the position of chair.
- 9.3.6.2 The chair of the Council will appoint one of the other Governors as the Deputy Chair of Governors. The Chair may ask for nominations and may ask other Governors to vote, but the final decision will be made by the Chair. The appointment of the Deputy Chair will last for one year, and a further appointment will be made after each Annual Members Meeting when the composition of the Council is confirmed. The Chair can remove the Deputy Chair from office at any time during their tenure, but this will not affect the Deputy Chair's term as a Governor.

9.3.7 undertake such functions as the Board of Directors shall from time to time reasonably request; and

9.3.8 prepare, approve and from time to time review the Governors' Strategy and its policy for the composition of the Council of Governors and of the non-executive Directors (provided that in reviewing the composition of the non-executive Directors, the Council of Governors shall observe the requirement of Article 10.1.2).

9.3.9 appoint panels as required. Members of any panels should reflect the views of the Governors as a whole.

9.3.10 fulfil its duties so as to comply with all laws and regulations including any regulations or guidance issued by the CIC regulator and the Code of Conduct as produced and kept updated by the Governors and approved by the Board.

#### **Eligibility requirements for Council of Governors**

9.4 No person may become or continue to be a Governor if they:

9.4.1 are a Director of the Company, or unless the Council of Governors decides to over-rule this provision in a particular case, a governor or director of an NHS body,

9.4.2 are a spouse, partner, parent or child of another Governor or of a Director of the Company;

9.4.3 become bankrupt or the provisions of Article 9.12 apply;

9.4.4 have refused without reasonable cause to fulfil any training requirement established by the Council of Governors or decreed by the Board or set out in the Code of Conduct ; or

9.4.5 have refused to sign and deliver to the Secretary a statement in the form required by the Council of Governors confirming acceptance of the code of conduct for Governors.

#### **Tenure of office as Governor**

9.5 A Governor shall hold office for a period of 3 years commencing immediately after the annual Members' meeting at which their election is declared. The Board will not agree to the election of more than 1.5% of the membership as Governors at any one time irrespective of the number of vacancies on the Council unless otherwise

agreed by means of majority vote at a joint Governor and Board meeting, and signed off by the Board

9.6 An elected Governor shall be eligible for re-election at the end of their term.

9.7 No Governor may hold office for more than 9 years, and shall not be eligible for re-election if they have already held office for more than six consecutive years. , save for the provisions of clauses 9.7.1 and 9.7.2

9.7.1 In exceptional circumstances, the final term of a Governor may be extended by a maximum of 18 months.

9.7.2 Such exceptional circumstances will be approved by a joint meeting of the Board and the Council of Governors.

9.8 For the purpose of these provisions concerning terms of office for elected Governors, "year" means a period commencing immediately after the Annual Members' Meeting and ending at the conclusion of the next Annual Members' Meeting.

#### **Termination of office as Governor**

9.9 A person holding office as a Governor shall immediately cease to do so if:

9.9.1 they die;

9.9.2 they resign by notice in writing to the Secretary;

9.9.3 they cease to be a Member of the Company;

9.9.4 they fail to attend three consecutive meetings of the Council of Governors, unless the other Governors are satisfied that:

9.9.4.1 the absences were due to reasonable causes; and

9.9.4.2 they will be able to start attending meetings of the Council of Governors again within such a period as the other Governors consider reasonable;

9.9.5 they have refused without reasonable cause to undertake any training which the Council of Governors requires all Governors to undertake;

9.9.6 they have failed to sign and deliver to the Secretary a statement in the form required by the Secretary confirming acceptance of the code of conduct for Governors; or

9.9.7 they are removed from the Council of Governors under Article 9.10.



9.10 A Governor may be removed from the Council of Governors by a resolution approved by not less than three-quarters of the remaining Governors present and voting on the grounds that:

9.10.1 they have committed a serious breach of the Governor's Code of Conduct or any other code of conduct or other legal or regulatory requirement; or

9.10.2 they have acted in a manner detrimental to the interests of the Company; and

9.10.3 the Council of Governors consider that it is not in the best interests of the Company for them to continue as a Governor.

### **Vacancies**

9.11 Where a Governor vacancy arises, the Council of Governors shall be at liberty:

9.11.1 to call an election within three months to fill the seat for the remainder of that term of office; or

9.11.2 to invite the next highest polling candidate for that seat at the most recent election, who is willing to take office, to fill the seat until the next annual election, at which time the seat will fall vacant and subject to election for any unexpired period of the term of office; or

9.11.3 if the unexpired period of the term of office is less than 9 months, to leave the seat vacant until the next elections are held except that in circumstances where the composition requirements set out in Article 9.1 are not met, they must take steps to fill the vacant position notwithstanding the other provisions of this Article 9.

9.11.4 in circumstances where a seat on the council is left vacant, the Chair of the Council of Governors can agree with the Company Secretary to Co-Opt a suitably qualified member onto the Council until the date of the next members meeting. The Co-opted member shall be eligible to stand for election to the council at the next members' meeting, and the period of co-option shall not be recognised as counting towards the tenure of this member as a governor.

### **Governors' meetings**

#### *Frequency of meetings*

9.12 The Council of Governors shall hold such meetings as it considers appropriate to discharge its roles and responsibilities, which shall be at least quarterly.

- 9.13 The Council of Governors shall decide in conjunction with the Board of Directors whether or not their meetings are open to members. If admitted, members of the public may be excluded from a meeting if they are interfering with or preventing the proper conduct of the meeting or for other special reasons (including for reasons to maintain the confidentiality of commercially sensitive matters).

*Notice of meetings*

- 9.14 Meetings of the Council of Governors shall be called by the Secretary, or by the Chair of the Council of Governors, or by six Governors who give written notice to the Secretary specifying the business to be carried out. The Secretary shall send a written notice to all Governors as soon as possible after receipt of such a request. The Secretary shall call a meeting on at least 14 but not more than 28 days' notice to discuss the specified business. If the Secretary fails to call such a meeting, then the Chair of the Council of Governors or six Governors, whichever is the case, shall call such a meeting.

*Procedure at meetings*

- 9.15 The Chair of the Council of Governors shall preside at meetings of the Council of Governors. In the absence of the Chair of the Council of Governors the Vice Chair of the Council will preside over the meeting. In the absence of both the Chair and the Vice Chair of the Council, the remaining Governors will elect one of their number to preside over the meeting.

- 9.16 Over fifty percent (51%) of Governors in post at any point in time shall form a quorum..

- 9.17 The Council of Governors may invite the Chair of the Board, the Chief Executive, or any other Director, or a representative of the Auditor or other advisors or Stakeholder Experts to attend a Governors' Meeting but such invitees will not be counted for the purposes of determining whether a meeting is quorate.

- 9.18 The Council of Governors may agree that Governors can participate in its meetings by telephone, video or computer link. Participation in a meeting in this manner shall be deemed to constitute presence in person at the meeting.

*Voting at meetings*

- 9.19 Unless the Articles provide otherwise, questions arising at a Governors' meeting shall be decided by a majority of votes. In the case of an equality of votes the person presiding at or chairing the meeting shall have a casting vote. Only Governors and no other attendee at Governors' meetings shall have the right to vote.

9.20 Subject always to Article 9.26.2, all decisions taken in good faith at a meeting of the Council of Governors or of any committee shall be valid even if it is discovered subsequently that there was a defect in the calling of the meeting, or the appointment of any of the Governors attending the meeting.

*Other*

9.21 The Council of Governors may not delegate any of its powers to a committee or subcommittee, but it may appoint committees consisting of its members, Directors, and other persons to assist the Council of Governors in carrying out its functions. The Council of Governors may, through the Secretary, request that advisors assist them or any committee they appoint in carrying out their duties.

9.22 The Council of Governors may make standing orders for the conduct of its meetings.

**Disclosure of Interests**

9.23 Governors shall disclose to the Council of Governors any material interests (as defined below) held by them or a close family member, which shall be recorded in the register of interests of Governors.

9.24 Subject to the exceptions below a material interest is:

9.24.1 any directorship of a company;

9.24.2 any interest or position in any firm, company, business or organisation (including any charitable or voluntary organisation) which has or is likely to have a trading or commercial relationship with the Company;

9.24.3 any interest and/or position in an organisation providing health and social care services;

9.24.4 a position of authority in a charity or voluntary organisation in the field of health and social care; or

9.24.5 any connection with any organisation, entity or company considering entering into a financial arrangement with the Company including but not limited to lenders or banks.

9.25 There are no exceptions to what shall be treated as interests or material interests for the purposes of these provisions.

9.26 Any Governor who has an interest in a matter to be considered by the Council of Governors (whether because the matter involves a firm, company, business or organisation in which they or their spouse or partner has a material interest or otherwise) shall declare such interest to the Council of Governors and if there is a conflict of interest:

9.26.1 shall withdraw from the meeting and play no part in the relevant discussion or decision;

9.26.2 shall not vote on the issue (and if by inadvertence they do remain and vote, their vote shall not be counted);

9.26.3 for the purpose of determining whether a relevant quorum is present in relation to that discussion, shall not count towards that quorum; and

9.26.4 details of any such interest shall be recorded in the register of interests of Governors.

9.27 Any Governor who fails to disclose any interest or material interest required to be disclosed under these provisions must permanently vacate their office if required to do so by a majority of the remaining Governors.

#### **Governors' power to authorise a material interest**

9.28 The Governors have power to authorise a Governor to have a material interest even where there is a conflict of interest provided:

9.28.1 in relation to the decision to authorise a material interest, the interested Governor must comply with Article 9.26;

9.28.2 in authorising a material interest, the Governors can decide the manner in which the material interest may be dealt with and, for the avoidance of doubt, they can decide that the Governor with a material interest can participate in a vote on the matter and can be counted in the quorum; and

9.28.3 the decision to authorise a material interest can impose such terms as the non interested Governors think fit and is subject always to their right to vary or terminate the authorisation.

9.29 If a matter, or office, employment or position, has been authorised by the Governors in accordance with Article 9.30 then, even if he or she has been authorised to remain at the meeting by the other Governors, the interested Governor may absent himself or herself from the Council of Governors' meeting at which anything relating to that matter, or that office, employment or position, will or may be discussed.

9.30 A Governor shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Governors in accordance with Article 9.28 (subject to any limits or conditions to which such approval was subject).

## 10 BOARD OF DIRECTORS

### Composition of the Board

10.1 The Board of Directors comprises executive Directors and non-executive Directors, as follows:

- 10.1.1 not less than a half of the Directors shall be non-executive Directors, one of whom is to be Chair. A Member cannot be a non-executive Director;
- 10.1.2 not less than four non-executive Directors;
- 10.1.3 not less than four executive Directors; and
- 10.1.4 one of the executive Directors is to be the Group Chief Executive, one is to be responsible for finance (Group Chief Finance Officer) one is to be a clinical lead or medical director and one other. For the avoidance of doubt, in the event that the functions of a Director are fulfilled by two or more individuals (whether pursuant to a job share arrangement or otherwise), such individuals shall each be a Director for the purposes of the Companies Act, however shall only be entitled to exercise one vote collectively.
- 10.1.5 The Chair of the Council of Governors will be invited to attend the Board and act as a full (non-voting) member of the Board, unless the Board identify a valid reason for excluding the Chair of the Council of Governors from the Board.
- 10.1.6 In the event that the Chair of the Council of Governors is not invited to attend the Board, another governor will be invited to Board Meetings to share news of members. This governor will not be allowed to vote at Board Meetings.

10.2 The Chief Executive will be accountable in his/her role to the Board of Directors and to the Members through the Council of Governors.

### Provisions affecting membership of the Board of Directors

10.3 No person may become or continue to be a Director if they:

- 10.3.1 are a Governor, or a governor or director of an NHS body except with the approval of the Board of Directors;
- 10.3.2 are a spouse, partner, parent or child of another Director or of a Governor of the Company;
- 10.3.3 are the subject of a disqualification order made under the Company Directors Disqualification Act 1986;

- 10.3.4 become bankrupt or make any arrangement or composition with creditors;
- 10.3.5 have refused without reasonable cause to fulfil any training requirement established by the Board of Directors;
- 10.3.6 Do not meet the "Fit and Proper Persons" requirements as set out in the Health and Social Care Act (2008);
- 10.3.7 have refused to sign and deliver to the Secretary a statement in the form required by the Board of Directors confirming acceptance of the code of conduct for Directors; or
- 10.3.8 fail to attend three consecutive Board Meetings and the Directors resolve that the Director can be removed for this reason.

**Appointment and removal of the Chair, other non-executive Directors and executive Directors**

- 10.4 The Council of Governors shall in accordance with the provisions of Articles 9.3.1 and 9.3.2 appoint the Chair of the Board and the other non-executive Directors.
- 10.5 Removal of the Chair of the Board or another non-executive Director shall require the approval of a three-quarters majority of the Governors voting at a Governors' meeting.
- 10.6 The non-executive Directors acting in the capacity of the Nominations Committee shall appoint or remove the Chief Executive.
- 10.7 A committee comprising the non-executive Directors and the Chief Executive shall appoint or remove other executive Directors.
- 10.8 The Board of Directors shall appoint one of the non-executive Directors to be Senior Independent Director (Deputy Chair of the Board). The Senior independent director shall be responsible for undertaking the PDR of the Chair of the Board.
- 10.9 Each non-executive Director shall hold office for terms as follow:
  - 10.9.1 Non-executive Directors shall hold office for a period of 3 years
  - 10.9.2 A Non-executive director shall not hold more than three consecutive terms of three years.
  - 10.9.3 In exceptional circumstances, the final term of a Non-Executive Director may be extended by a maximum of 18 months.
  - 10.9.4 Such exceptional circumstances will be approved by a joint meeting of the Board and the Council of Governors.

10.10 Without prejudice to any other Article, the Members may by special resolution at a Members' meeting remove a Director.

### **Board Meetings**

#### *Frequency of meetings*

10.11 The Board of Directors shall hold such meetings as it considers appropriate to discharge its roles and responsibilities, which shall be at least bi-monthly.

10.12 Any Director may call a meeting of the Board of Directors.

#### *Notice of meetings*

10.13 A meeting of the Board of Directors must be called by at least five clear days' notice (specifying the time, date and place of the meeting) unless either:

10.13.1 all the Directors agree; or

10.13.2 urgent circumstances require shorter notice.

#### *Procedure of meetings*

10.14 The Chair of the Board shall preside at Directors' meetings. In their absence, or if the Chair of the Board has a conflict of interest in relation to the business being discussed, the Deputy Chair of the Board shall act as chair at that meeting.

10.15 Four Directors including two executive Directors and two non-executive Directors shall form a quorum.

10.16 Subject as expressly set out in these Articles, Directors may be counted in the quorum, participate in and vote at meetings of the Board by telephone, video or other electronic means. All references to meetings shall be construed accordingly.

#### *Voting*

10.17 Questions arising at a Directors' meeting shall be decided by a majority of votes.

10.18 In all proceedings of Directors each Director must not have more than one vote.

10.19 In case of an equality of votes, the Chair of the Board shall have a second or casting vote.

10.20 If either the Chair of the Board, (or in the absence of the Chair of the Board, the Deputy Chair of the Board), or at least one third of the members of the Board, asks the Secretary to circulate a resolution to all Directors to be signed, and it is returned to the Secretary signed by at least three quarters of the Directors, then it shall have the same effect as a resolution validly passed at a meeting of the Board of Directors. Each Director may sign a separate copy of the resolution and send a signed copy to the Secretary by email or any other electronic means.

10.21 The Directors may take a unanimous decision without a Directors' meeting by indicating to each other by any means, including without limitation by electronic means, that they share a common view on a matter. Such a decision may, but need not, take the form of a resolution in writing, copies of which have been signed by each Director or to which each Director has otherwise indicated agreement in writing.

10.22 A decision which is made in accordance with Article 10.21 shall be as valid and effectual as if it had been passed at a Directors' meeting duly convened and held, provided the following conditions are complied with:

10.22.1 approval from each Director must be received by one person being either such person as all the Directors have nominated in advance for that purpose or such other person as volunteers if necessary (the "Recipient"), which person may, for the avoidance of doubt, be one of the Directors;

10.22.2 following receipt of responses from all of the Directors, the Recipient must communicate to all of the Directors by any means whether the resolution has been formally approved by the Directors in accordance with this Article 10.22;

10.22.3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval; and

10.22.4 the Recipient must prepare a minute of the decision.

10.23 Subject always to Article 10.27.2, all decisions taken in good faith at a meeting of the Directors shall be valid even if it is discovered subsequently that there was a defect in the calling of the meeting, or the appointment of any of the Directors attending the meeting.

#### *Other*

10.24 The Board of Directors may make standing orders for the conduct of its meetings.

#### **Disclosure of Interests**

10.25 Directors shall disclose to the Board of Directors any material interests (as defined below) held by them or a close family member, which shall be recorded in the register of interests of the Directors.

10.26 A material interest is:

10.26.1 any interest (excluding a holding of shares in a company whose shares are listed on any public exchange where the holding is less than 2% of the total shares in issue) or position held by a Director in any firm, company, business or organisation (including any charitable or voluntary



organisation) which has or is likely to have a trading or commercial relationship with the Company;

10.26.2 any interest and/or position in an organisation providing health and social care services;

10.26.3 a position of authority in a charity or voluntary organisation in the field of health and social care; or

10.26.4 any connection with any organisation, entity or company considering entering into a financial arrangement with the Company including but not limited to lenders or banks.

10.27 Any Director who has an interest in a matter to be considered by the Board of Directors (whether because the matter involves a firm, company, business or organisation in which they or their spouse or partner has a material interest or otherwise) shall declare such interest to the Board of Directors and if there is a conflict of interest:

10.27.1 shall withdraw from the meeting and play no part in the relevant discussion or decision;

10.27.2 shall not vote on the issue (and if by inadvertence they do remain and vote, their vote shall not be counted);

10.27.3 for the purpose of determining whether a relevant quorum is present in relation to that discussion, shall not count towards that quorum; and

10.27.4 details of any such interest shall be recorded in the register of interests of the Directors.

10.28 Any Director who fails to disclose any interest or material interest required to be disclosed under these provisions must permanently vacate their office if required to

do so by a majority of the remaining Directors and (in the case of a non-executive Director) by a majority of the Council of Governors.

#### **Directors' power to authorise a material interest**

10.29 Even where there is a conflict of interest, the Directors have power to authorise a Director to have a material interest provided:

10.29.1 in relation to the decision to authorise a material interest, the interested Director must comply with Article 10.27;

10.29.2 in authorising a material interest, the Directors can decide the manner in which the material interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a material interest can

participate in a vote on the matter and can be counted in the quorum;  
and

10.29.3 the decision to authorise a material interest can impose such terms as the non interested Directors think fit and is subject always to their right to vary or terminate the authorisation.

10.30 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 10.29 then, even if he or she has been authorised to remain at the meeting by the other Directors, the interested Director may absent himself or herself from Board Meetings at which anything relating to that matter, or that office, employment or position, will or may be discussed.

10.31 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 10.29 (subject to any limits or conditions to which such approval was subject).

#### **Committees of the Board**

10.32 The Board of Directors shall establish such committees as the Board of Directors consider appropriate and the Board of Directors may convene meetings as required from time to time comprising of non-executive Directors to decide the remuneration and allowances and other terms and conditions of office of the executive Directors.

10.33 Committees established by the Board of Directors must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions of the Board of Directors.

10.34 The Board of Directors may make rules of procedure for all or any committees provided that such rules are not inconsistent with the Articles.

### **11 REPORTING**

#### **Preparation of Accounts and Reports**

11.1 In respect of each year of account, the Board of Directors shall cause to be prepared Annual Accounts which shall include:

11.1.1 a revenue account or revenue accounts (including cash flow statements) which singly or together deal with the affairs of the Company as a whole for that year and which give a true and fair view of the income and expenditure of the Company for that year; and

11.1.2 a balance sheet giving a true and fair view as at the date thereof of the state of the affairs of the Company.

11.2 The Board of Directors has the power to prepare in addition a revenue account or revenue accounts for less than one year of account and a balance sheet at the end of the period covered by such revenue account or revenue accounts.

#### **Auditors and Accounts**

11.3 The Company shall in accordance with the law appoint in each year a qualified Auditor or Auditors to be the Auditor, and the following provisions shall apply to them.

11.3.1 The accounts of the Company for that year shall be submitted to them for audit as required by the law.

11.3.2 They shall have all the rights and duties in relation to, access to books, the supply of information, reporting on accounts and otherwise, as are provided by the law.

11.3.3 Except where provided in the Articles, they are appointed by the Board of Directors, and the provisions of the law shall apply to the reappointment and removal and to any resolution removing, or appointing another person in their place.

11.3.4 Their remuneration shall be fixed by the Board of Directors. Where the Board of Directors fails to appoint an Auditor in accordance with the law, the Members may by ordinary resolution appoint an Auditor (including fixing the remuneration of such Auditor).

#### **Presentation of Accounts**

11.4 The Board of Directors shall present reports of the business referred to in this Article 11 and affairs of the Company to the annual Members' meetings and to the Governors meetings.

11.5 The Board of Directors shall lay Annual Accounts before the annual Members' meeting showing respectively the income and expenditure for and the state of the affairs of the Company as at the end of the Company's most recent financial year (or of such other period as the Board of Directors may decide).

#### **Publication of Accounts and Balance Sheets**

11.6 Subject to law, the Board of Directors must not cause to be published any revenue account or balance sheet unless it has previously been audited by the Auditor.

Every revenue account and balance sheet published must be signed by a Director acting on behalf of the Board.

#### **Publication of reports by any other external auditor**

- 11.7 The Board of Directors may decide that external auditors shall be appointed to review and deliver a report on aspects of the Company's affairs other than finance. The Company shall provide that any such report is published in such manner as the Board of Directors shall determine.

#### **Annual Return to be sent to The Registrar of Companies**

- 11.8 The Company must, within the time allowed by legislation in each year, file an annual return with the Registrar of Companies in the prescribed form, relating to its affairs during the period covered by the return and the most recent annual return shall be made available to any Member by the Secretary on request in writing free of charge.

#### **Remuneration**

- 11.9 Governors are not entitled to receive any remuneration for their services unless the Board of Directors approves any such remuneration.
- 11.10 The amounts paid and payable to each Director in respect of each financial year shall be disclosed in the Annual Accounts.
- 11.11 Non-executive Directors and Governors are entitled to reimbursement of expenses in accordance with any policy approved by the Council of Governors (in relation to Directors' expenses) and by a Members' meeting (in relation to Governors' expenses). A summary of such expenses is to be published in the Annual Accounts.

### **12 CHANGE**

#### **Alterations to Articles**

- 12.1 Subject to the requirements of the Companies Acts, no new Article shall be made, nor shall any of the Articles be amended, unless it is approved by a majority of threequarters of the votes cast by the Members at a special Members' meeting.
- 12.2 Notice of such a special Members' meeting shall specify the Articles to be amended, and set out the terms of all amendments or new Articles proposed.
- 12.3 The Board of Directors may change the address of the Company's website, and the situation of the Company's registered office. The Company will send notice of any change in the Company's registered office to the Companies House.

#### **Restriction on use – Asset Lock**

- 12.4 The Company shall not transfer any of its assets other than for full consideration.

12.5 Provided the conditions specified in Article 12.6 are satisfied, Article 12.4 shall not apply to:

12.5.1 the transfer of assets to any specified Asset Locked Body or (with the consent of the Regulator) to any other Asset Locked Body;

12.5.2 the transfer of assets made for the benefit of the community other than by way of a transfer of assets to an Asset Locked Body;

12.5.3 the payment of dividends in respect of shares in the Company;

12.5.4 the distribution of assets on a winding up;

12.5.5 payments on the redemption or purchase of the Company's own shares;

12.5.6 payments on the reduction of share capital; and

12.5.7 the extinguishing or reduction of the liability of Members in respect of share capital not paid up on the reduction of share capital.

12.6 The conditions are that the transfer of assets:

12.6.1 must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles of the Company; and

12.6.2 must not exceed any limit imposed by, or by virtue of, Part 2 of the 2004 Act.

## **Dissolution**

12.7 The Company may be dissolved by winding up in the way required by the law. If on the solvent dissolution or winding up of the Company there remain, after the satisfaction of all its debts and liabilities and the repayment of the paid-up share capital, any assets whatsoever, such assets shall be transferred to one or more Asset Locked Bodies as determined and directed by the Regulator.

## **13 SHARE CAPITAL**

13.1 The Company has shares of £1 each.

13.2 Every Member admitted as a Member in accordance with these Articles for the purposes of the Companies Acts shall hold one share, and no such Member may hold more than one share.

13.3 One share will be allotted to each Member upon admission to membership for the purposes of the Companies Acts.

13.4 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be

determined by ordinary resolution. In accordance with section 567(1) of the Companies Acts, sections 561 and 562 of the Companies Acts shall not apply to an allotment of equity securities (as defined in section 560(1) of the Companies Acts) made by the Company.

13.5 Where a Member admitted as a Member for the purposes of the Companies Acts is removed or expelled from membership under the Articles or ceases to be eligible to be a Member under the Articles, the Member shall relinquish their share to the Company. The Company shall donate the value of that Member's share at the nominal value to a charity as determined by the Board of Directors and their share shall be cancelled. For the avoidance of doubt, the Members hereby approve all such transactions by the Company under this Article 13.5 and authorise the Board of Directors to do all such acts as may be necessary to give effect to this Article.

13.6 The Directors may refuse to register the allocation of a share:

13.6.1 to a person of whom they do not approve;

13.6.2 where the value of such transfer exceeds the nominal value of the share;  
or

13.6.3 unless it is lodged at the registered office of the Company or at such other place as the Directors may appoint and is accompanied by such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and by such other information as they may reasonably require.

13.7 If the Directors refuse to register such a transfer, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

13.8 The provisions of this Article apply in addition to any restrictions on the transfer of a share which may be set out elsewhere in the Memorandum or Articles of the Company.

## **14 SHARE CERTIFICATES**

14.1 The Company must issue each Member, free of charge, with a share certificate in respect of the share it holds.

14.2 Every certificate must specify:

14.2.1 in respect of how many shares, of what class, it is issued;

14.2.2 the nominal value of those shares;

14.2.3 that the share is fully paid; and

14.2.4 any distinguishing numbers assigned to them.

- 14.3 No certificate may be issued in respect of shares of more than one class.
- 14.4 Certificates must:
- 14.4.1 have affixed to them the Company's common seal; or
  - 14.4.2 be executed either by a Director in the presence of a witness or by two authorised signatories, which shall be two Directors, or a Director and a Secretary, in accordance with the Companies Acts.

**15 REPLACEMENT SHARE CERTIFICATES**

- 15.1 If a certificate issued in respect of a Member's share is:
- 15.1.1 damaged or defaced; or
  - 15.1.2 said to be lost, stolen or destroyed, that Member is entitled to be issued with a replacement certificate in respect of the same share.
  - 15.1.3 A Member exercising the right to be issued with such a replacement must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - 15.1.4 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

**16 PROCEDURE FOR DECLARING DIVIDENDS**

- 16.1 Subject to the Companies Acts, the 2004 Act, the Regulations and the Articles, the Company may by ordinary resolution declare dividends, and the Directors may, provided that such decision is authorised by an ordinary resolution of the Members, decide to pay interim dividends.
- 16.2 For the avoidance of doubt, the payment of dividends shall be considered to be a transfer of assets other than for full consideration and shall not be permitted other than in the circumstances prescribed in Articles 12.4 to 12.6 (inclusive).

**17 ADMINISTRATIVE**

**Borrowing**

- 17.1 Subject to the approval of the Board of Directors, the Company may borrow money for the purposes of or in connection with its Objects.

### **Investments**

17.2 Subject to any restriction imposed by resolution of any Members' meeting or these Articles, the Board of Directors may invest any part of the capital and funds of the Company in any manner which it may from time to time determine.

### **Books of Account**

17.3 The Board shall cause to be kept proper books of account with respect to the transactions of the Company, its assets and liabilities, and shall establish and maintain a satisfactory system of control of the books of account, the cash holdings and all receipts and remittances of the Company in accordance with the Companies Acts.

### **Treatment of Net Surplus**

17.4 Subject to Article 16, no more than 35% of the profits or surpluses of the Company can be distributed either directly or indirectly among Members. The remaining profits shall be used:

17.4.1 to maintain prudent reserves;

17.4.2 on expenditure in carrying out the Company's Objects.

### **Settlement of Disputes**

17.5 Any dispute, between the Company or an officer of the Company on the one hand and a Member or a person who has for not more than six months ceased to be a Member on the other hand, as to the interpretation of or arising out of the Articles shall (except as otherwise provided in the Articles) be referred, in default of agreement between the parties to the dispute, to a person appointed by the President of the Chartered Institute of Arbitrators, on application by any of the parties. The person so appointed shall act as sole arbitrator in accordance with the Arbitration Act 1996 and such person's decision shall (including any decision as to the costs of the arbitration) be final.

### **Secretary**

17.6 The Board of Directors must appoint a person to fulfil the office of the Secretary (for such term and at such remuneration and upon such other conditions as it may think fit) and may remove the person from such office.



- 17.7 The Secretary's role includes:
- 17.7.1 ensuring good information flows to the Board of Directors and the Council of Governors;
  - 17.7.2 through the Chair of the Board advising the Board of Directors and the Council of Governors on governance matters; and
  - 17.7.3 being accessible to all Directors and Governors to ensure that procedures are being complied with.
- 17.8 The Secretary:
- 17.8.1 has the functions set out in the Articles and any other functions which the Board of Directors assigns;
  - 17.8.2 acts as secretary to Committees of the Board of Directors, and subject to its approval, may appoint another person for those purposes;
  - 17.8.3 acts as returning officer at, and is responsible for the conduct of, all elections described in the Articles; and
  - 17.8.4 has absolute discretion to decide any issue or question which the Articles require the Secretary to decide.

#### **Register of Members**

- 17.9 The Company shall keep at its registered office a register of Members as required by the law. Any Member wishing to inspect the register (or any part of it) shall provide the Company with not less than 14 days' prior notice given in writing (and any transmission of the notice by electronic mail or facsimile shall not satisfy the requirement that the notice be given in writing) to the Secretary at the Company's registered office.

#### **Copies of Articles and Regulations**

- 17.10 The Secretary will provide a copy of the Articles to any person who demands it and may charge a reasonable sum representing the cost to the Company.

#### **Directors' and Officers' Indemnity**

- 17.11 Governors, Directors and the Secretary who act honestly and in good faith will not have to meet out of their personal resources any personal civil liability which is incurred in the execution or purported execution of their functions, save where they have acted recklessly. Any costs arising in this way will be met by the Company. The Company may purchase and maintain insurance against this liability for its own benefit and for the benefit of Governors and Directors and the Secretary.

## **Supply of documents and information by electronic means**

17.12 The Company may issue documents and information to any person (including for the avoidance of doubt Members) in electronic form to an address provided by the recipient for that purpose.

## **18 INTERPRETATION**

18.1 The Articles should be read and understood on the basis of what is set out below.

18.1.1 Words in the singular include the plural, and words in the plural include the singular.

18.1.2 Any reference to legislation includes any subsequent enactments, amendments and modifications, or any subordinate legislation.

18.1.3 The section, Article and paragraph headings are inserted for convenience only and shall not affect the interpretation of the Articles.

18.1.4 Any reference to a document or a communication shall include a document or communication in electronic format (as the case may be).

18.2 The following words and phrases have the special meaning set out below.

**"Companies Acts"** the Companies Acts, as defined in section 2 of the Companies Act 2006, in so far as they apply to the Company amended or extended by any other enactment

**"2003 Act"** the Co-operatives and Community Benefit Societies Act 2003

**"2004 Act"** the Companies (Audit, Investigations and Community Enterprise) Act 2004

**"Articles"** the Company's Articles of Association

**"Asset Locked Body"** a community interest company, charity or a permitted industrial and provident society or a body established outside the United Kingdom that is equivalent to any of those

**"Board"** the Board of Directors as set out in Article 10

**"company"** a company registered with limited liability under the Companies Act 2006 or any previous Companies Act, or under any law of the country where it is situated whereby it acquires the right of trading as a body corporate with limited liability

<b><i>“community”</i></b>	is to be construed in accordance with section 35(5) of the 2004 Act
<b><i>“corporation”</i></b>	a <b><i>Company</i></b> , a <b><i>company</i></b> or any other body corporate
<b><i>“health care professional”</i></b>	a person who is a member of a profession regulated by a body mentioned in Section 25(3) of the National Health Service Reform and Health Care Professions Act 2002
<b><i>“Memorandum”</i></b>	the Company's Memorandum of Association
<b><i>“NHS Principles and Values”</i></b>	the principles and values set out in the NHS Constitution for England
<b><i>“ordinary resolution”</i></b>	means a resolution of the Members passed by: (i) on a show of hands at a general meeting, by a simple majority of Members who, being entitled to vote, do so in person or by proxy; or (ii) on a written resolution, by a simple majority of the total voting rights of Members
<b><i>“permitted industrial and provident society”</i></b>	means an industrial and provident society which has a restriction on the use of assets in accordance with regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006
<b><i>“Regulations”</i></b>	the Community Interest Company Regulations 2005
<b><i>“Regulator”</i></b>	the Regulator of Community Interest Companies
<b><i>“special resolution”</i></b>	means a resolution of the Members passed by: (i) on a show of hands at a general meeting, by a majority of at least 75% of Members who, being entitled to vote, do so in person or by proxy; or (ii) on a written resolution, by a majority of at least 75% of the total voting rights of Members

18.3 The following words or phrases are introduced and defined/explained in the Article specified in each case.

<b>Word or Phrase</b>	<b>Article</b>
Annual Accounts	11.1
Articles	6.2
Auditor	11.3
Board of Directors	10.1
Chair	10.1.1
Company	1.1
Council of Governors	6.9/9.1
Director	10.1
Finance Director	10.1.4
Governor	9.1
Governors' Strategy	7.1/9.5.6
Chief Executive	10.1.4
Member / Membership	6.5
Membership Shares	13.1/2
Objects	3
Regulator	12.5.1
Secretary	6.14/17.6/7/8
Senior Independent Director	10.8
Stakeholder Expert	9.5.5