

**Company Number: 09487106**

**The Companies Act 2006**

**PRIVATE COMPANY LIMITED BY GUARANTEE**

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## **ARTICLES OF ASSOCIATION**

### **SLOUGH CHILDREN'S SERVICES TRUST LIMITED**

**Incorporated on 12 March 2015**

**Articles adopted by Special Resolution passed on 25 March 2021**

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## PART 1

### DEFINED TERMS AND INTERPRETATION

#### 1 EXCLUSION OF MODEL ARTICLES

- 1.1 No articles set out in any statute, or in any statutory instrument or other subordinate legislation made under statute, concerning companies (including any articles or regulations set out in the Companies (Model Articles) Regulations 2008 (SI 2008/3229)) shall apply as the articles of association of the Company and the following Articles shall exclusively be the articles of association of the Company.

#### 2 DEFINED TERMS AND INTERPRETATION

- 2.1 In these Articles:

<b>"Act"</b>	means the Companies Act 2006 and, where the context requires, any provisions of the Companies Act 1985 for the time being in force;
<b>"Additional Executive Director"</b>	means an executive director of the Company, other than the Chief Executive, who is employed by the Company and appointed pursuant to Article 10.1(a) ( <i>Appointment and Removal of Other Directors</i> );
<b>"Articles"</b>	means the Company's articles of association as set out in this document;
<b>"Board"</b>	means the board of Directors;
<b>"Board Meeting"</b>	means a meeting of the Board;
<b>"Business"</b>	has the meaning given in Article 6.1 ( <i>The Objects, Powers and the Business of the Company</i> );
<b>"Business Plan"</b>	means the strategic business plan of the Company which shall be prepared by the Board and approved by the Member pursuant to Articles 7 ( <i>The Business Plan</i> ) and 29.2(c) ( <i>Reserved Matters Requiring Member Approval</i> ) (as applicable);
<b>"Chair"</b>	means a Non-Executive Director appointed as chair of the Board in accordance with Article 9 ( <i>Appointment and Removal of the Chair and Chief Executive</i> );

<b>"Chair Nominee"</b>	has the meaning given in Article 11 ( <i>Chair Nominee</i> );
<b>"Chair of the Meeting"</b>	has the meaning given in Article 35.2 ( <i>Chairing General Meetings</i> );
<b>"Chief Executive"</b>	means the Chief Executive of the Company from time to time who shall be an Executive Director and shall be appointed pursuant to Article 10 ( <i>Appointment and Removal of Other Directors</i> );
<b>"Company"</b>	the company to which these Articles relate;
<b>"Conflict Situation"</b>	has the meaning given in Article 21.1 ( <i>Conflicts of Interest</i> );
<b>"Council"</b>	means Slough Borough Council;
<b>"Council Director"</b>	means a Non-Executive Director appointed in accordance with Article 10 ( <i>Appointment and Removal of Other Directors</i> );
<b>"Direction"</b>	means the statutory direction dated on or around the date of the Service Delivery Contract issued by the Secretary of State for Education pursuant to his powers under section 497A(4) and (4B) of the Education Act 1996, as amended, supplemented or replaced by any subsequent statutory direction that the Secretary of State for Education may make from time to time;
<b>"Directors"</b>	means the Chair, Chief Executive, Additional Executive Directors, Independent Non-Executive Directors and Council Directors, and <b>"Director"</b> means any one of them;
<b>"Electronic Form"</b>	has the meaning given in section 1168 of the Act;
<b>"Eligible Directors"</b>	has the meaning given in Article 19.3 ( <i>Decisions without a Meeting/Unanimous Decisions</i> );
<b>"Executive Directors"</b>	means the Chief Executive and the Additional Executive Directors;

<b>"Executive Management Team"</b>	means the senior management team of the Company which shall comprise of the Executive Directors;
<b>"Independent Non-Executive Director"</b>	means a Non-Executive Director (other than the Chair and a Council Director) appointed in accordance with Article 10 ( <i>Appointment and Removal of Other Directors</i> ) and who shall not be an officer, elected member or an employee (as applicable) of the Company or a Member;
<b>"Interested Directors"</b>	has the meaning given in Article 22.2(b) ( <i>Authorisation of a Conflict Situation</i> );
<b>"Member"</b>	the member of the Company pursuant to section 112 of the Act and on the date of adoption of these Articles the Council shall be the sole member of the Company;
<b>"Non-Executive Director"</b>	means any Director of the Company other than an Executive Director;
<b>"Ordinary Resolution"</b>	has the meaning given in section 282 of the Act;
<b>"Participate"</b>	in relation to the Board has the meaning given in Article 16.1 ( <i>Participation in Board Meetings</i> );
<b>"Permitted Causes"</b>	has the meaning given in Article 21.5 ( <i>Conflicts of Interest</i> );
<b>"Proxy Notice"</b>	has the meaning given in Article 41.1 ( <i>Content of Proxy Notices</i> );
<b>"Relevant Director"</b>	has the meaning given in Articles 48.3 ( <i>Indemnity</i> ) and 49.2(a) ( <i>Insurance</i> ) (as the context requires);
<b>"Relevant Loss"</b>	has the meaning given in Article 49.2(b) ( <i>Insurance</i> );
<b>"Service Delivery Contract"</b>	means the contract dated on or around 1 April 2021 between the Company and the Council relating to the provision of the Services by the Company;
<b>"Services"</b>	means the specified children's social care services that the Company will provide pursuant to the Service Delivery Contract;

<b>"Special Resolution"</b>	has the meaning given in section 283 of the Act;
<b>"Working Day"</b>	means any day save for Saturday, Sunday and a public holiday in England;
<b>"Writing"</b>	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise, and the term <b>"Written"</b> shall be construed accordingly; and
<b>"Year"</b>	means each period of twelve (12) months beginning on 1 April and ending on 31 March.

2.2 In these Articles, unless the context otherwise requires:

- (a) words in the singular include the plural and vice versa and words importing a gender include the other gender and the neuter;
- (b) references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity;
- (c) statute or statutory provision includes any order, regulation, instrument or other subordinate legislation made under it for the time being in force. Any reference to a statute, statutory provision, order, regulation, instrument or other subordinate legislation includes any amendment, extension, consolidation, re-enactment or replacement of it for the time being in force;
- (d) unless otherwise defined herein, other words or expressions defined in the Act shall bear the same meanings when used in these Articles;
- (e) a reference in these Articles to an **"Article"** is, unless otherwise specified, a reference to the relevant article within these Articles;
- (f) any phrase introduced by the terms **"include"**, **"including"**, **"in particular"** or any similar expression shall be construed as illustrative and shall not limit the generality of the words and/or examples that follow such terms; and
- (g) headings used in these Articles are for ease of reference only and shall not affect the interpretation or construction of these Articles.



PART 2  
NO DISTRIBUTIONS AND LIMITATION OF LIABILITY

**3 NOT FOR PROFIT**

- 3.1 The Company is a private limited company (limited by guarantee) and is not established or conducted for private gain.

**4 NO DISTRIBUTIONS**

- 4.1 Subject to Articles 4.2 and 4.3, the income and property of the Company shall be applied solely towards the promotion of its objects and Business as set out at Article 6 (*The Objects, Powers and Business of the Company*) and no part of such property and income may be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the Member.

- 4.2 Nothing in this Article 4 prevents any payment in good faith by the Company:

- (a) of reasonable remuneration to the Member where it provides any services to the Company;
- (b) of interest on money lent by the Member to the Company at a reasonable and proper rate per annum to be determined by the Board;
- (c) of reasonable rent for premises demised or let by the Member to the Company;
- (d) of fees, remuneration or other benefit in money or money's worth to any company of which the Member may also be a member holding not more than one per cent (1%) of the issued share capital of that company;
- (e) to any Director of properly incurred expenses in connection with their attendance at meetings of the Board or of any committee appointed pursuant to Article 23 (*Board's Power to Delegate*), general meetings, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company;
- (f) of remuneration to a Director as permitted by these Articles;
- (g) of any premium in respect of any such insurance as is permitted by Article 49 (*Insurance*); or
- (h) the transfer of assets to the Member on winding-up or dissolution pursuant to Article 4.3 below.

- 4.3 If upon the winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall be given or transferred to the Council.

## **5 LIABILITY OF MEMBER**

- 5.1 The liability of the Member is limited to one pound (£1), being the amount that the Member undertakes to contribute to the assets of the Company in the event of it being wound up while it is a Member or within one (1) year after it ceases to be a Member, for:
- (a) payment of the Company's debts and liabilities contracted before it ceased to be a Member;
  - (b) payment of the costs, charges and expenses of winding up; and
  - (c) adjustment of the rights of the contributories among themselves.

## **PART 3 THE COMPANY'S BUSINESS**

## **6 THE OBJECTS, POWERS AND THE BUSINESS OF THE COMPANY**

- 6.1 The objects of the Company are to provide social care, youth offending and other related services and support to children, young people and their families for the advancement of the community, and in particular:
- (a) to keep children and young people safe from harm;
  - (b) to provide high quality and coordinated services in connection with children, young people and their families, including in relation to children's safeguarding, children in care and at the edge of care, children leaving care and adoption and fostering services;
  - (c) to innovate and to secure improvements in the quality and effectiveness of the services provided to children, young people and their families in respect of social care, family support and youth offending services and demonstrate value for money in doing so;
  - (d) to advance and promote social care, family support and youth offending services available to children, young people and their families;

- (e) to work collaboratively with other agencies to identify the individual social care needs of children and young people and to establish suitable arrangements to prepare for and meet such needs;
- (f) to make a positive and effective contribution to multi-agency early intervention support for children, young people and their families to avoid the need for more intensive social care support;
- (g) to ensure that effective care planning and appropriate intervention is in place which protects children from harm, reduces the need for children to be in care unless absolutely necessary, and supports those in care;
- (h) to establish and operate arrangements based on best practice and innovation and to work in partnership with all agencies involved with children, young people and their families to encourage and support children and young people to achieve positive outcomes; and
- (i) to establish, promote and encourage the development of collaborative working arrangements between individuals and organisations in the field of information, advice, guidance and support to deliver high standards of social care, family support and youth offending services to children and young people,

such objects being the business of the Company (the "**Business**").

6.2 The Company may do all such lawful things as may further and/or promote the Company's objects set out in Article 6.1 (or any of them) and/or the Business.

6.3 Taking the Direction into account, and pursuant to the terms of the Service Delivery Contract, the Member has entrusted the Company to carry on the Business.

## **7 THE BUSINESS PLAN**

7.1 On or before 1 April 2021 the Board shall prepare and submit for approval by the Member, a draft Business Plan for one (1) Year starting on 1 April 2021.

7.2 In respect of each subsequent Year (the first such Year being that starting on 1 April 2022), no later than 30 September prior to the beginning of the relevant Year, the Board shall prepare and submit a draft Business Plan for approval by the Member covering the next three (3) Years.

7.3 The content of each Business Plan shall, among other things, include relevant information under each of the following headings:

- (a) introduction;
- (b) strategic framework;

- (c) working with partners;
  - (d) priorities and objectives;
  - (e) financial strategy and plans;
  - (f) profit and loss account;
  - (g) cash flow statement;
  - (h) revenue budget and working capital requirements; and
  - (i) capital expenditure requirements.
- 7.4 A Business Plan may be varied in-Year with the approval of the Member (where applicable) pursuant to Article 29 (*Reserved Matters Requiring Member Approval*).
- 7.5 The Board shall be responsible for securing the Member's approval of any draft Business Plan and, once such approval is obtained, the same shall become the Business Plan.
- 7.6 If, prior to the start of the relevant Year, the Board has not secured the approval of the Member pursuant to Article 29 (*Reserved Matters Requiring Member Approval*) of the Business Plan, then, for so long as such approval has not been secured for such Year, the Business Plan for the previous Year shall continue to apply.
- 7.7 The Board shall conduct the Company's Business in accordance with the terms of the Business Plan.
- 7.8 Other than for permitted transactions pursuant to the threshold values in Articles 29.2 (f), (g) and (h), the Company shall not enter into any transaction, agreement or contract unless it is in accordance with the Business Plan (but this does not necessarily mean that the relevant transaction, agreement or contract has to have been actually specified in the Business Plan).

## PART 4

### DIRECTORS

#### DIRECTORS' POWERS, RESPONSIBILITIES AND BOARD APPOINTMENTS

## **8 MANAGEMENT OF THE COMPANY AND DIRECTOR APPOINTMENTS**

- 8.1 Subject to the matters reserved to the Member for approval pursuant to Article 29 (*Reserved Matters Requiring Member Approval*) and any other rights conferred on the Member pursuant to these Articles or the Act, the Directors have control over the

affairs and the property of the Company and shall be responsible for the overall direction, supervision and management of the Business and the affairs of the Company, for which purposes they may exercise (and have full authority to exercise) any and all of the powers of the Company.

8.2 The Members may (under “exceptional circumstances” and acting reasonably, where a matter of an urgent nature and where possible the Members have consulted with the Board) by Special Resolution direct the Board to take, or refrain from taking, specified action except in relation to any contract in place between the Members and the Company. No such Special Resolution invalidates anything which the Board has done before the passing of the resolution.

8.3 The Board shall comprise the following Directors:

- (a) a Non-Executive Director selected as Chair and appointed by the Member in accordance with Article 9 (*Appointment and Removal of the Chair and Chief Executive*);
- (b) the Chief Executive appointed by the Member in accordance with Article 9 (*Appointment and Removal of the Chair and Chief Executive*);
- (c) up to two (2) Additional Executive Directors appointed by the Board in accordance with Article 10 (*Appointment and Removal of Other Directors*);
- (d) up to three (3) Independent Non-Executive Directors appointed by the Board in accordance with Article 10 (*Appointment and Removal of Other Directors*); and
- (e) subject to Article 29 (*Reserved Matters requiring Member approval*) up to three (3) Council Directors nominated by the Council and appointed by the Board in accordance with Article 10 (*Appointment and Removal of Other Directors*) provided that subject to Article 8.7 the number of Council Directors shall not exceed the number of Independent Non-Executive Directors at any time.

8.4 If the total number of Directors for the time being is less than the quorum required pursuant to Article 14 (*Quorum for Board Meetings*), the Board shall not take any decision other than:

- (a) where the appointment of any Director (other than the Chair) is necessary in order to satisfy the quorum requirements pursuant to Article 14 (*Quorum for Board Meetings*), a decision to appoint further Directors (not being the Chair) in accordance with Article 10 (*Appointment and Removal of Other Directors*) for this purpose; and/or

(b) where the appointment of the Chair is necessary in order to satisfy the quorum requirements pursuant to Article 14 (*Quorum for Board Meetings*), a decision to either:

- (i) call a general meeting; or
- (ii) propose and circulate a written resolution for approval by the Member for the purposes of Article 44 (*Member Written Resolutions*),

so as to enable the Member to appoint such persons pursuant to Article 9 (*Appointment and Removal of the Chair and Chief Executive*) for this purpose.

8.5 An Additional Executive Director shall be an employee of the Company and a member of the Executive Management Team and shall not be entitled to any payment or remuneration from the Company, save as provided for in his or her contract of employment with the Company.

8.6 A Non-Executive Director and the Chief Executive shall not be entitled to any payment or remuneration from the Company, save as provided for in his or her terms of engagement with the Company.

8.7 If at any time the number of Council Directors exceeds the number of Independent Non-Executive Directors, without prejudice to Article 18.4 (Chair's second or casting vote), the Chair shall be entitled to the requisite number of additional votes to equal those of the Council Directors until such time as the number of Independent Non-Executive Directors equals that of the Council Directors. If at any time the number of Independent Non-Executive Directors exceeds the number of Council Directors, without prejudice to Article 18.4 (Chair's second or casting vote), a Council Director (as nominated by the Member if there are more than one) shall be entitled to the requisite number of additional votes to equal those of the Independent Non-Executive Directors until such time as the number of Council Directors equals that of the Independent Non-Executive Directors.

## **9 APPOINTMENT AND REMOVAL OF THE CHAIR AND CHIEF EXECUTIVE**

9.1 Subject to these Articles (in particular Article 9.2 and Article 10.1(f)), the Member may by Ordinary Resolution with effect from the date specified in the resolution or by notice in Writing to the Company with effect from the receipt by the Company of the notice or, if later, on the date specified in the notice:

- (a) appoint any person as the Chair and/or the Chief Executive on such terms as the Member may determine provided that person is willing to act and is permitted by law to do so; and/or
- (b) remove the Chair and/or Chief Executive from office.

- 9.2 The Member shall consult with the Board prior to any appointment or removal of the Chair and/or Chief Executive pursuant to Article 9.1 and shall consider any representations made by the Board in relation to any such appointments or removals prior to any appointment or removal.

## **10 APPOINTMENT AND REMOVAL OF OTHER DIRECTORS**

- 10.1 The Board may:

- (a) appoint any person as an Additional Executive Director and/or an Independent Non-Executive Director (as applicable), in either case on such terms as the Board may determine provided that person is willing to act and is permitted by law to do so;
- (b) subject to Article 29 (*Reserved Matters requiring Member approval*), appoint any person as a Council Director on such terms as the Board may determine provided that person is willing to act and is permitted by law to do so;
- (c) remove any Additional Executive Director and/or Independent Non-Executive Director (as applicable) from office;
- (d) subject to Article 29 (Reserved Matters requiring Member approval) remove any Council Director from office; and/or
- (e) remove a Director from office pursuant to Article 12 (*Termination of Appointment*);
- (f) where the Chief Executive is removed from office pursuant to these Articles, resigns, or is absent from meetings of the Board for more than two (2) consecutive months without the permission of the Board, if the Member has not appointed a replacement Chief Executive within 10 Working Days of the date of such removal, resignation, or notification by the Board of such absence, the Board shall in consultation and agreement with the Member be entitled to appoint, on an interim basis and until such time as the Member appoints a replacement Chief Executive (or in the case of an absence, the Chief Executive resumes regular attendance at meetings of the Board), one of its Directors to act as the Chief Executive.

- 10.2 In respect of any Council Directors, the Board and the Member shall at all times make such decisions on the basis that the number of Council Directors shall not exceed the number of Independent Non-Executive Directors at any time in accordance with Article 8.3(e).

- 10.3 In respect of the appointments and/or removals of any of the Additional Executive Directors and/or the Independent Non-Executive Directors, the Board shall consult with the Member prior to any appointments or removals and shall consider any representations made by the Member in relation to any such appointments or removals prior to any appointments or removals.

## **11 CHAIR NOMINEE**

- 11.1 The Chair may at any time appoint one of the Independent Non-Executive Directors as his or her nominee (the "**Chair Nominee**") to chair any Board Meetings and/or general meetings of the Company that the Chair is unable to attend. The Chair may at any time remove a Chair Nominee from such appointment.
- 11.2 Any appointment or removal of a Chair Nominee must be effected by notice in Writing to the Company signed by the Chair, or in any other manner approved by the Board.
- 11.3 If the Chair is removed by the Members in accordance with Article 9 (*Appointment and Removal of Chair and Chief Executive*), then any Chair Nominee may be removed by the Member by notice in writing to the Company and the Board shall be entitled to appoint a replacement Independent Non-Executive Director to act as Chair Nominee.

## **12 TERMINATION OF APPOINTMENT**

- 12.1 A Director's term of office under Articles 9 (*Appointment and Removal of the Chair and Chief Executive*) and 10 (*Appointment and Removal of Other Directors*) shall end before its appointed expiry date if that person dies or upon the occurrence of any of the following events:
- (a) in the case of any Director, that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a company director by law;
  - (b) in the case of any Director, a bankruptcy order is made against them;
  - (c) in the case of any Director, a composition is made with that person's creditors generally in satisfaction of their debts;
  - (d) in the case of any Director, a registered medical practitioner who is treating that person gives a Written opinion to the Company stating that that person has become physically or mentally incapable of acting as a company director and may remain so for more than three (3) months;
  - (e) in the case of any Director other than the Chair and the Chief Executive, that person is convicted of an offence and the Board resolves that it is undesirable in the interests of the Company that he or she remains a Director of the Company;



- (f) in the case of any Non-Executive Director, Written notification is received by the Company from that person that he or she is resigning from office, and such resignation shall take effect not less than one (1) month from the date of receipt by the Company of such Written notification;
- (g) in the case of any Additional Executive Director, he or she has resigned as an employee of the Company or their contract of employment has terminated for any reason and such resignation or termination has taken effect in accordance with the terms of his or her contract of employment with the Company;
- (h) in the case of any Director other than the Chair and the Chief Executive, that person is absent from meetings of the Board for more than two (2) consecutive months without the permission of the Board and the Board resolves to vacate that person's office;
- (i) in the case of any Director, that person is removed from office in accordance with Articles 9 (*Appointment and Removal of the Chair and Chief Executive*) and/or 10 (*Appointment and Removal of Other Directors*) (as applicable); or
- (j) in the case of a Council Director, that person ceases to be a member, officer or employee of the Member.

## DECISION-MAKING BY DIRECTORS

### **13 RETIREMENT AND TERM OF OFFICE**

- 13.1 Subject to Article 12 the usual term of office for Non-Executive Directors shall be three (3) years with a potential two (2) year extension, although due consideration shall be given to the actual termination dates for each Non-Executive Director's term of office, including whether such termination dates need to be staggered to ensure that the Board shall retain a consistent level of experience and expertise at all times to deliver the Business of the Company.

### **14 QUORUM FOR BOARD MEETINGS**

- 14.1 At Board Meetings, unless a quorum is present and Participating, subject to Article 8.3 (*Management of the Company and Director Appointments*) no proposal is to be voted on, except a proposal to call another Board Meeting.
- 14.2 Subject to Article 8.4 (*Management of the Company and Director Appointments*), the quorum shall be four (4) Directors, of whom:
  - (a) one shall be the Chair;
  - (b) one shall be an Executive Director;

- (c) one shall be an Independent Non-Executive Director; and
- (d) one shall be a Council Director.

## **15 CALLING A BOARD MEETING**

- 15.1 Board Meetings shall take place at least four (4) times each year with a period of not more than four (4) consecutive months between any two (2) meetings.
- 15.2 Any Director may call a Board Meeting by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice.
- 15.3 Except as set out in Article 15.4, a notice of any Board Meeting must be given in Writing to each Director and indicate:
  - (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that the Directors Participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the Board Meeting.
- 15.4 Notice of a Board Meeting need not be given to a Director who:
  - (a) is absent from the United Kingdom on the date on which such notice is given if that Director has not furnished the Company with an address for sending or receiving documents or information by electronic means to or from that Director outside the United Kingdom; or
  - (b) waives their entitlement to notice of that Board Meeting, by giving notice to that effect to the Company either before or after (but in any event not more than seven (7) days after) the date on which the Board Meeting is held. Where such notice is given by the relevant Director after the Board Meeting has been held, that does not affect the validity of the Board Meeting, or of any business conducted at it.

## **16 PARTICIPATION IN BOARD MEETINGS**

- 16.1 Subject to these Articles, Directors "**Participate**" in a Board Meeting, or part of a Board Meeting, when:
  - (a) the Board Meeting has been called and takes place in accordance with these Articles; and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the Board Meeting,

and for the avoidance of doubt Participation includes a right to speak and vote.

- 16.2 In determining whether Directors are Participating in a Board Meeting, it is irrelevant where any Director is or how they communicate with each other.
- 16.3 If all the Directors Participating in a Board Meeting are not in the same place, they may decide that the Board Meeting is to be treated as taking place wherever any of them is.
- 16.4 Subject to these Articles, the Directors may regulate their Board Meetings as they see fit and any Director or other person may Participate in a Board Meeting by means of telephone, video conference or any similar type of communication whereby all persons Participating can hear each other and any person Participating in the Board Meeting in this manner shall be deemed to be present in person at that Board Meeting.

## **17 CHAIRING BOARD MEETINGS**

- 17.1 Any Board Meeting shall be chaired either:
  - (a) by the Chair if he or she is present and willing to do so; or
  - (b) if the Chair is not present within ten (10) minutes of the time at which a Board Meeting was due to start or is unwilling to chair the Board Meeting, by the Chair Nominee, if he or she is present and willing to do so.
- 17.2 If the Chair Nominee is chairing the Board Meeting in accordance with Article 17.1, then for the purposes of:
  - (a) the quorum requirement in Article 14.2 (*Quorum for Board Meetings*); and
  - (b) the casting vote provision in Article 18.4 (*Directors to take Decisions Collectively*),the Chair Nominee shall be deemed to be the Chair for the purposes of that Board Meeting.

## **18 DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

- 18.1 The general rule about decision-making by Directors is that any decision of the Board must be either a decision taken by a majority of the Eligible Directors at a Board Meeting or a decision taken in accordance with Article 19 (*Decisions without a Meeting/Unanimous Decisions*).
- 18.2 Subject to Article 18.1, questions arising at a Board Meeting shall be decided by a majority of votes.
- 18.3 Subject to Article 18.4, in all proceedings of Directors each Director must not have more than one (1) vote.

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

## **19 DECISIONS WITHOUT A MEETING/UNANIMOUS DECISIONS**

19.1 A decision of the Board is taken in accordance with this Article 19 when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

19.2 Such a decision may take the form of a resolution in Writing, copies of which have been signed by each Eligible Director (whether or not each signs the same document) or to which each Eligible Director has otherwise indicated agreement in Writing.

19.3 References in these Articles to "**Eligible Directors**" are to Directors who would have been entitled to vote on the matter pursuant to these Articles had it been proposed as a resolution at a Board Meeting (but excluding any Director whose vote is not to be counted in respect of that particular matter).

19.4 A decision may not be taken in accordance with this Article 19 if the Eligible Directors would not have formed a quorum at such a Board Meeting.

## **20 RECORDS OF DECISIONS TO BE KEPT**

20.1 The Directors must ensure that the Company keeps a record, in Writing, for at least ten (10) years from the date that the decision is made and recorded (however such decision is made, whether by electronic means or otherwise), of every unanimous or majority decision taken by the Board.

## **21 CONFLICTS OF INTEREST**

21.1 In accordance with section 175 of the Act, a Director must avoid a situation in which he/she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a "**Conflict Situation**").

21.2 However, this duty is not infringed:

- (a) if the situation cannot reasonably be regarded as likely to give rise to a Conflict Situation; or
- (b) if the matter has been authorised by the Board pursuant to Article 22 (*Authorisation of a Conflict Situation*); or
- (c) if the Conflict Situation arises from a Permitted Cause.

21.3 Subject to the provisions of the Act and to any terms imposed by the Board and/or to any policies or procedures dealing with conflicts of interest which are from time to time approved by the Board and provided that (if required to do so by the Act) he or she

has declared the Conflict Situation to the Board, and provided that (if required) the Conflict Situation has been authorised by the Board under Article 22 (*Authorisation of a Conflict Situation*), a Director, notwithstanding his or her office:

- (a) shall be counted in the quorum for and shall be entitled to vote at any Board Meeting in relation to:
  - (i) any proposed or existing contract, transaction or arrangement with the Company in which he or she is interested; and/or
  - (ii) any resolution relating to a matter authorised by the Board under Article 22 (*Authorisation of a Conflict Situation*);
- (b) may be a party to or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (c) may be a director or other officer or an employee of, or a party to any transaction or arrangement with, or otherwise interested in, any subsidiary of the Company or body corporate in which the Company is interested;
- (d) is not accountable to the Company for any remuneration or other benefits which he or she derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no transaction or arrangement is liable to be avoided on the ground of any such remuneration, benefit or interest; and
- (e) may, where he or she reasonably believes that any actual or potential conflict of interest arising out of a Permitted Cause or any matter authorised by the Board under Article 22 (*Authorisation of a Conflict Situation*) exists:
  - (i) absent himself or herself from any Board Meeting (or part of any Board Meeting) at which any such matter or interest will or may be discussed; and/or
  - (ii) make arrangements not to receive or review documents or information relating to any such matter or interest and/or for such documents or information relating to any such matter or interest to be received and reviewed by a professional adviser.

21.4 As regards the treatment of any confidential information arising from any Permitted Cause or matter authorised by the Board under Article 22 (*Authorisation of a Conflict Situation*), a Director shall:

- (a) be under a duty of confidentiality to the Company with respect to any information which he or she obtains or has obtained as a Director which is of a confidential

nature, unless he or she has obtained permission from the Board to disclose such information and, in this scenario, the relevant Director shall be obliged to comply with any policies and procedures adopted by the Company regarding the management of any conflict of interest arising out of his or her duty of confidentiality to the Company; and

- (b) where he or she obtains (otherwise than through his or her position as a Director) information that is confidential to a third party, not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence and, in such circumstances, the relevant Director shall be obliged to comply with any policies and procedures adopted by the Company regarding the management of any conflict of interest arising out of his or her duties of confidentiality to a third party.

21.5 For the purposes of this Article 21, the following are "**Permitted Causes**":

- (a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
- (b) subscription, or an agreement to subscribe, for securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities;
- (c) arrangements pursuant to which benefits are made available to employees and Directors or former employees and directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former directors; and
- (d) in respect of a Council Director or the Chief Executive, being an officer, elected member or employee of the Member or otherwise engaged by the Member.

## **22 AUTHORISATION OF A CONFLICT SITUATION**

22.1 The Board shall, for the purposes of section 175 of the Act, have the power to authorise, in accordance with section 175 of the Act, any Conflict Situation.

22.2 For Board authorisation of a Conflict Situation under this Article 22 to be effective:

- (a) the matter in question must have been proposed in Writing for consideration at the Board Meeting in line with the normal procedures for such meetings or in any other way the Board may decide;

- (b) any quorum requirement at the Board Meeting when the matter is considered must be met without counting any Directors who are or could be subject to the Conflict Situation ("**Interested Directors**"); and
  - (c) the matter must be agreed without the Interested Directors voting, or would have been agreed if the votes of the Interested Directors had not been counted.
- 22.3 Any Conflict Situation authorised under this Article 22 will include any existing or potential conflict of interest which it is reasonable to expect will arise out of the authorised matter.
- 22.4 Any authorisation of a Conflict Situation under this Article 22 will be subject to any conditions or limitations that the Board (other than the Interested Directors) decides. The Board (other than the Interested Directors) can decide the conditions or limitations at the time authorisation is given (or later) and can end them at any time. A Director must comply with any obligations imposed on him or her after a Conflict Situation has been authorised.
- 22.5 A Director does not have to hand over to the Company any benefit he or she receives (or a person connected with him or her receives) as a result of any Conflict Situation authorised under this Article 22. No contract, transaction or arrangement of the type authorised under this Article 22 can be set aside because of any such interest or benefit.

## **23 BOARD'S POWER TO DELEGATE**

- 23.1 Subject to these Articles, the Board may delegate any of the powers which are conferred on them under these Articles:
- (a) to such person (whether a Director or not) or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;
- as it thinks fit.
- 23.2 The power to delegate shall be effective in relation to the powers, authorities and discretions of the Board generally and shall not be limited by the fact that in certain of these Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Board or by a committee authorised by the Board.

23.3 If the Board so specifies, any such delegation may authorise further delegation of the Board's powers by any person to whom they are delegated.

23.4 The Board may revoke any delegation in whole or part, or alter its terms and conditions.

## **24 COMMITTEES**

24.1 Any member of a committee must be a Director, although persons permitted by the Directors (and who are not Directors themselves) may participate in proceedings of a committee in a supporting role to the Directors. Any Director, shall be entitled to attend any committee meeting.

24.2 Committees to which the Board delegates any of its powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by the Board.

24.3 All proceedings of every committee must be reported promptly to the Board.

24.4 In accordance with Article 25 (*Rules*), the Board may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not inconsistent with them.

24.5 The Company shall have an Audit Committee with a chair and a minimum of three (3) Directors, a majority of whom being Independent Non-Executive Directors. Appointments and removals to the Audit Committee shall be made by the Board.

24.6 The Audit Committee shall assist the Board in fulfilling its oversight responsibilities by reviewing and monitoring:

- (a) the integrity of the financial and narrative statements and other financial information provided to Members;
- (b) the Company's system of internal controls and risk management;
- (c) the internal and external audit process and auditors;
- (d) the processes for compliance with laws, regulations and ethical codes of practice;
- (e) and making recommendations to the Board in relation to the discharge of governance responsibilities in respect of audit, risk and internal control of the Company.

24.7 The decisions of the Board in relation to the above matters shall be determined by the Board having regard to the recommendations of the Audit Committee.



24.8 The Audit Committee may sub-delegate any or all of its powers and authority as it thinks fit to one or more of its members or the company secretary, including, without limitation, the establishment of sub-committees which are to report back to the Audit Committee.

24.9 Decisions of the Audit Committee are to be made by simple majority decision of the Audit Committee and notified to the Board.

## **25 RULES**

25.1 The Directors may make such rules as they consider necessary or convenient for the proper conduct and management of the Company. In particular, and without prejudice to the generality of the foregoing, the Directors may make rules regulating:

- (a) the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
- (b) the procedure at general meetings and Board Meetings and meetings of committees of the Company (in so far as such procedure is not governed by these Articles); and
- (c) any and all other matters as are commonly the subject matter of company rules.

25.2 Nothing in Article 26.1 shall entitle the Directors to make any rules regarding any rights or obligations of the Member without the consent of the Member.

25.3 The Directors must adopt such means as they consider sufficient to bring to the notice of the Members all rules made under this Article 25.

25.4 Any rules made by the Directors under this Article 25 will be valid and binding as against the Member for so long as such rules are in force.

25.5 Nothing in this Article 25 permits the Directors to make any rules which are inconsistent with or affect or repeal anything in these Articles or in any resolution passed by the Member or agreement to which Chapter 3 of Part 3 of the Act applies.

## **26 SECRETARY**

26.1 The Directors may appoint a secretary to the Company for such period, for such remuneration and upon such conditions as they think fit; and any secretary so appointed by the Directors may be removed by them.

## **PART 5 MEMBERS**

## BECOMING AND CEASING TO BE A MEMBER

### **27 BECOMING A MEMBER**

- 27.1 Such persons as are admitted to the membership in accordance with these Articles shall be members of the Company.
- 27.2 Subject always to Articles 29.1 and 29.2(b) (*Reserved Matters requiring Member Approval*), no person shall be admitted as a Member unless he or she is approved by the Board.
- 27.3 Every person who wishes to become a Member shall deliver to the Company an application for membership in such form (and containing such information) as the Directors' require and executed by him or her.
- 27.4 On the date these Articles become binding on the Company, the Council shall be the sole Member.

### **28 TERMINATION OF MEMBERSHIP**

- 28.1 Membership is not transferable to anyone else.
- 28.2 Membership is terminated if:
- (a) the Member dies or ceases to exist; or
  - (b) otherwise in accordance with these Articles.
- 28.3 A Member may withdraw from membership of the Company by giving at least three (3) months' notice to the Company in Writing.

## MEMBERS' RESERVED MATTERS

### **29 RESERVED MATTERS REQUIRING MEMBER APPROVAL**

- 29.1 Without prejudice to any other matter that expressly requires a Members resolution or approval under the Act or these Articles, subject to these Articles neither the Company nor the Board shall pass any resolution or take any action in respect of the matters set out in Article 29.2 unless the prior Written approval of the Member has been obtained.
- 29.2 The matters that require prior Member approval pursuant to Article 29.1 are:
- (a) any appointment and/or removal of a Council Director and/or any changes to the terms of such appointments;
  - (b) any change to the membership of the Company;

- (c) the annual approval of the Business Plan and any in-Year variation to the Business Plan;
- (d) any changes/amendments to the Articles;
- (e) the voluntary winding up of the Company or dissolution or appointing any liquidator or administrative receiver of the Company or any of its assets (save where the Company is insolvent or any action is necessary by the Directors in order to comply with their statutory duties or to avoid potential civil or criminal liability);
- (f) the entering into by the Company of any new third party contracts for the provision of services by the Company to third parties which are outside the scope of the Service Delivery Contract and/or the Business Plan and which have a total value in excess of £181,302;
- (g) the entering into by the Company of any borrowing, credit facility, or investment arrangements (other than trade credit in the ordinary course of business) with third parties above £250,000, but only to the extent that any such arrangement falls outside the scope of the Service Delivery Contract and/or the Business Plan;
- (h) the entering into by the Company of any other contractual arrangement with the Council for the provision of other services to the Council following the service commencement date of the Service Delivery Contract, but only to the extent that any such contractual arrangement falls outside the scope of the Service Delivery Contract and/or the Business Plan;
- (i) any proposal by the Company to form any legal entity or undertaking in which the Company would be a member, shareholder or hold any analogous position in any jurisdiction or acquiring shares in any other company;
- (j) participating by the Company in any partnership or joint venture whether incorporated or not or amalgamating or merging the Company with any other company or business undertaking, but only to the extent that such arrangements fall outside the scope of the Service Delivery Contract and/or the Business Plan;
- (k) the Company giving any guarantee, suretyship or indemnity outside the ordinary course of its business to secure the liabilities of any person or assume the obligations of any person (other than the Company or a wholly owned subsidiary of the Company);
- (l) the selling or disposing of in any way whatsoever, any part of the business (including assets) of the Company;

- (m) dealing with any surpluses of the Company, other than those surpluses which are agreed, pursuant to the Business Plan or Service Delivery Contract, that may be retained by the Company;
- (n) the Company acquiring, or agreeing to acquire, any freehold or leasehold interest in or licence over land except where the Member is the seller, lessor or licensor (as applicable) of the land in question, in which case Member approval pursuant to this Article 29 shall not be required;
- (o) the Company creating any encumbrance over the whole or a significant part of its undertaking or assets;
- (p) any changes to the company name, trading name or registered office of the Company or physically relocating the headquarters of the Company;
- (q) the Company commencing, settling or defending any significant claim, proceedings or other litigation brought by or against it, except where they are a part of the Company's ordinary course of business and/or operations; and
- (r) appointing or removing an auditor; and
- (s) acquiring assets outside the scope of the Service Delivery Contract and/or the Business Plan which have a value in excess of £250,000.

29.3 The Board shall provide the Member with as much notice as possible of any matter which requires prior Written approval from the Member pursuant to Article 29.1, having regard to the decision-making procedures and restrictions applying to the Member.

## ORGANISATION OF GENERAL MEETINGS

### **30 CALLING GENERAL MEETINGS**

- 30.1 The Board may at any time call a general meeting on not less than fourteen (14) clear days' notice, unless the Member agrees that the general meeting in question can be called on shorter notice, in which case, that general meeting may be called on that shorter period of notice.
- 30.2 Subject to Article 30.1, the Board shall call a general meeting on not less than twenty-eight (28) days' notice within twenty-one (21) days of receiving a request from the Member in accordance with the Act. For these purposes, the required percentage of Members who represent at least five per cent (5%) of the total voting rights of all the Members having a right to vote at general meetings.
- 30.3 Where "special notice" is required for the purposes of a resolution to remove a Director pursuant to the Act or (subject to these Articles) to appoint somebody instead of a

Director so removed at the meeting at which he is removed, at least twenty-eight (28) days' notice must be given prior to the date of the meeting at which the resolution is to be moved, otherwise the resolution is not effective.

### **31 NOTICE OF GENERAL MEETING**

- 31.1 Notice of a general meeting shall be given in hard copy form, in Electronic Form or by means of a website, provided that the Company complies with any requirements relating to the giving of notice laid down in the Act.
- 31.2 Notice of a general meeting shall be sent to every Member, every Director and any other person required by law to be sent such notice.
- 31.3 Notice of a general meeting shall:
- (a) state the time, date and place of the meeting;
  - (b) specify the general nature of the business to be dealt with at the meeting and set out the text of any Special Resolution to be voted upon at the meeting; and
  - (c) be accompanied by a proxy form.
- 31.4 The accidental omission to give notice of a general meeting to, or the non-receipt of notice by, any person entitled to receive the notice; or a technical defect in the timing or manner of giving such notice of which the Board is unaware shall not invalidate the proceedings of that meeting.

### **32 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 32.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, at any time during the meeting, any information or opinions which that person has on the business of the meeting.
- 32.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, at any time during the meeting, on resolutions put to the vote at the meeting; and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 32.3 A person who is not a Member of the Company 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.

- 32.4 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 32.5 In determining attendance at a general meeting, it is immaterial whether any two (2) or more Members attending it are in the same place as each other.
- 32.6 Two (2) or more persons who are not in the same place as each other can attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

### **33 QUORUM FOR GENERAL MEETINGS**

- 33.1 If and for so long as the Company has one (1) Member only who is entitled to vote on the business to be transacted at a general meeting, that Member present at the meeting in person or by proxy or, in the event that the Member is a corporation, by corporate representative, is a quorum.
- 33.2 If and for so long as the Company has two (2) or more Members entitled to vote on the business to be transacted at a general meeting, two (2) of such Members, each of whom is present at the meeting in person or by proxy or, in the event that any Member present is a corporation, by corporate representative, are a quorum.

### **34 ADJOURNMENT**

- 34.1 If within fifteen (15) minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting will be adjourned to such other date and at such time as the Chair may determine. If at such adjourned meeting, a quorum is not present within fifteen (15) minutes from the time appointed for holding the meeting, the Members of the Company present in person or through their authorised representatives or by proxy shall be a quorum.

### **35 CHAIRING GENERAL MEETINGS**

- 35.1 General meetings shall be chaired:
- (a) by the Chair if he or she is present and willing to do so; or
  - (b) if the Chair is not present within ten (10) minutes of the time at which a meeting was due to start or is unwilling to chair the meeting, by the Chair Nominee, if he or she is present and willing to do so; or
  - (c) if the Chair Nominee is not present within ten (10) minutes of the time at which a meeting was due to start or is unwilling to chair the meeting, by a Non-Executive Director appointed by the Directors present to chair the meeting and the appointment of the chair of the meeting must be the first business of the meeting.

- 35.2 The person chairing a general meeting in accordance with this Article 35 is referred to as the "**Chair of the Meeting**".

### **36 ATTENDANCE AND SPEAKING BY DIRECTORS**

- 36.1 Directors may attend and speak at general meetings, whether or not they are Members.
- 36.2 The Chair of the Meeting may also permit other persons who are not Members to attend and speak at that meeting.

## **VOTING AT GENERAL MEETINGS**

### **37 VOTING**

- 37.1 Notwithstanding the different classes of membership which may be in existence from time to time, for the purposes of any vote, all present and entitled to vote at a general meeting shall be counted *pari passu* as one class for the purposes of that vote.
- 37.2 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

### **38 POLL VOTES**

- 38.1 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 38.2 A poll may be demanded by:
- (a) the Chair of the Meeting;
  - (b) the Directors;
  - (c) two (2) or more persons having the right to vote on the resolution; or
  - (d) a person or persons representing not less than one tenth (1/10<sup>th</sup>) of the total voting rights of all the Members having the right to vote on the resolution.
- 38.3 A demand for a poll may be withdrawn if the poll has not yet been taken and the Chair of the Meeting consents to the withdrawal. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

- 38.4 Polls must be taken immediately and in such manner as the Chair of the Meeting directs.

## **39 ERRORS AND DISPUTES**

- 39.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 39.2 Any such objection must be referred to the Chair of the Meeting whose decision is final.

## **40 AMENDMENTS TO RESOLUTIONS**

- 40.1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
- (a) notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than forty-eight (48) hours before the meeting is to take place (or such later time as the Chair of the Meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the Chair of the Meeting, materially alter the scope of the resolution.
- 40.2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:
- (a) the Chair of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 40.3 If the Chair of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution.

## **41 CONTENT OF PROXY NOTICES**

- 41.1 Proxies may only be validly appointed by a notice in Writing (a "**Proxy Notice**") which:
- (a) states the name and address of the Member appointing the proxy;
  - (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;



- (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Board may determine; and
- (d) is delivered to the Company in accordance with these Articles not less than forty-eight (48) hours before the time appointed for holding the general meeting in relation to which the proxy is appointed and in accordance with any instructions contained in the notice of the general meeting to which they relate,

and a Proxy Notice which is not delivered in such a manner shall be invalid, unless the Board, in their discretion, accept the notice at any time before the general meeting.

41.2 The Company may require Proxy Notices to be delivered in a particular form and may specify different forms for different purposes.

41.3 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, but the Company shall not be obliged to ascertain that any proxy has complied with those or any other instructions given by the appointor and no decision on any resolution shall be vitiated by reason only that any proxy has not done so.

41.4 On a vote on a resolution on a show of hands or a poll at a meeting, every proxy present who has been duly appointed by one or more Members entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one Member entitled to vote on the resolution and:

- (a) has been instructed by one or more of those Members to vote for the resolution and by one or more other of those Members to vote against it; or
- (b) has been instructed to vote the same way (either for or against) on the resolution by all of those Members except those who have given the proxy discretion as to how to vote on the resolution,

the proxy is entitled to one vote for and one vote against the resolution.

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

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **42 DELIVERY OF PROXY NOTICES**

42.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that 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.

- 42.2 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 person by whom or on whose behalf the Proxy Notice was given.
- 42.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 42.4 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by Written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### **43 AUTHORISED REPRESENTATIVES**

- 43.1 A Member who is not a natural person may by resolution of its directors or other governing body authorise a person to act as its representative. An authorised representative is entitled to exercise (on behalf of the Member) the same powers as the Member. The Directors may from time to time require an authorised representative to provide evidence of his authorisation and may refuse to permit a person purporting to be an authorised representative from exercising the rights of his (purported) Member appointor until such evidence is provided.

#### **44 MEMBER WRITTEN RESOLUTIONS**

- 44.1 A written resolution of the Member passed in accordance with Part 13 of the Act is as valid and effectual as a resolution passed at a general meeting of the Company (and for this purpose the written resolution may be set out in more than one document).
- 44.2 On a written resolution every Member has one vote.

### **PART 6**

## **ADMINISTRATIVE ARRANGEMENTS**

### **GENERAL ADMINISTRATIVE MATTERS**

#### **45 COMMUNICATIONS**

- 45.1 Subject to the provisions of the Act, a document or information may be sent or supplied by the Company to a person by being made available on a website.
- 45.2 A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be sent

to him or her or an address to which notices may be sent by electronic means is entitled to have notices sent to him or her at that address, but otherwise no such Member is entitled to receive any notices from the Company.

- 45.3 If the Company sends or supplies notices or other documents by first class post and the Company proves that such notices or other documents were properly addressed, prepaid and posted, the intended recipient is deemed to have received such notices or other documents forty-eight (48) hours after posting.
- 45.4 If the Company sends or supplies notices or other documents by electronic means and the Company proves that such notices or other documents were properly addressed, the intended recipient is deemed to have received such notices or other documents twenty-four (24) hours after they were sent or supplied.
- 45.5 If the Company sends or supplies notices or other documents by means of a website, the intended recipient is deemed to have received such notices or other documents when such notices or other documents first appeared on the website or, if later, when the intended recipient first received notice of the fact that such notices or other documents were available on the website.
- 45.6 For the purposes of this Article 45, no account shall be taken of any part of a day that is not a Working Day.
- 45.7 In proving a notice or document was properly addressed, it shall suffice to show that the notice or document was addressed to an address permitted for the purpose of the Act.

#### **46 MEMBER ACCESS TO INFORMATION RELATING TO THE COMPANY AND/OR THE BUSINESS**

- 46.1 The Member shall have the right, on giving to the Company reasonable advance notice, to inspect the books and records of the Company during normal business hours and to be supplied with all information in such form as it or they may reasonably require to keep it properly informed about the Business and affairs of the Company and shall have the right (at its expense) to take copies of any such books and records or parts thereof.
- 46.2 Any information or data obtained or received by the Member pursuant to Article 46.1 shall be subject to any duty or obligation of confidentiality or confidence between the Company and the Member (express or implied), particularly in relation to any commercially sensitive information of the Company. Nothing in this Article shall prevent the Member from disclosing such information or data to the extent required by law (but only to the extent necessary to so comply).

46.3 The Company shall promptly inform the Member in Writing if:

- (a) the Chair is convicted of an offence; or
- (b) the Chair is absent from four (4) or more consecutive meetings of the Board without the permission of the Members.

46.4 The Member shall promptly inform the Company in Writing if a Council Director is convicted of an offence.

#### **47 EXECUTION OF LEGAL DOCUMENTS**

47.1 Any common seal of the Company may only be used by the authority of the Board or any committee of the Board.

47.2 The Directors may decide by what means and in what form any common seal is to be used.

47.3 Unless otherwise decided by the Board, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature or two authorised persons.

47.4 For the purposes of this Article 47, an authorised person is:

- (a) any Director of the Company;
- (b) the company secretary (if any); or
- (c) any person authorised by the Board for the purpose of signing documents to which the common seal is applied.

#### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **48 INDEMNITY**

48.1 Subject to Article 48.2, a Relevant Director of the Company may be indemnified out of the Company's assets against:

- (a) any liability incurred by that Relevant Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company;
- (b) any liability incurred by that Relevant Director in connection with the activities of the Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
- (c) any other liability incurred by that Relevant Director as an officer of the Company.

48.2 This Article 48 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

48.3 In this Article 48 the term "**Relevant Director**" means any Director or former Director of the Company.

#### **49 INSURANCE**

49.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.

49.2 In this Article, the following words and expressions shall have the following meanings:

- (a) "**Relevant Director**" means any Director or former Director of the Company
- (b) "**Relevant Loss**" means any loss or liability which has been or may be incurred by a Relevant Director in connection with that Director's duties or powers in relation to the Company, or any pension fund or employees' share scheme of the Company.