

"Newark and Sherwood Homes Limited"

Company number: 5145364

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COMPANIES HOUSE

Written record of a decision by the sole member of Newark and Sherwood Homes Limited (the Company) pursuant to section 357 of the Companies Act 2006 (the Act)

The undersigned, being the sole member of the Company, has taken the following decision (which may be taken by the Company in a general meeting) on the date stated below, and such decision has effect as special and ordinary resolutions of the Company:

Special resolution

1. That the current articles of association of the Company be replaced in their entirety with the articles of association attached to this resolution (the "New Articles").

Ordinary resolution

2. That, subject to the adoption of the New Articles, the maximum Board size (as set out in Article 13.1 of the New Articles) be increased to 10, comprising up to 3 Council Board Members, up to 3 Tenant Board Members and up to 4 Independent Board Members, until the next Annual General Meeting of the Company, at which point the size and composition of the Board will revert to the provisions of Article 13.1.

Signed:

Karen White

DIRECTOR - SAFETY

for and on behalf of Newark and Sherwood District Council

Date: *23rd November 2017*

Registered number: 5145364

The Companies Acts 1985 to 2006

Company limited by guarantee and not having a share capital

Articles of association

of

Newark and Sherwood Homes Limited

1 Definitions and interpretations

1.1 In these Articles unless the context otherwise requires:

"the 1989 Act" means the Local Government and Housing Act 1989 and any statutory modification or re-enactment thereof for the time being in force;

"the 2006 Act" means the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force;

"the Appraisal" means the annual appraisal (conducted in accordance with the Board's policy from time to time and the Protocol) prior to the Board Member's reappointment for a further term;

"the Articles" means these Articles of Association as originally adopted or as altered from time to time;

"Board" means the Board of directors of the Organisation from time to time;

"Board Members" means the directors for the time being of the Organisation and shall exclude Co-optees;

"Chairman" means the Chairman of the Organisation appointed pursuant to Article 26.1 or 26.2 or in his absence any vice or deputy chairman appointed pursuant to Article 26.3;

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"Companies Acts" means any provisions of the Companies Act 1985 and of the 2006 Act and any statutory modification or re-enactment thereof for the time being in force;

"Co-optee" means a person co-opted by the Board pursuant to Article 17.2;

"Council" means Newark and Sherwood District Council or any successor body thereto;

"Council Board Member" means a Board Member nominated by the Council and appointed pursuant to Article 14;

"Council Representative" means the person from time to time nominated by the Council pursuant to Article 11.2;

"Independent Board Member" means a Board Member who is not a Tenant, Leaseholder or Local Authority Person and appointed pursuant to Article 16;

"Leaseholder" means an individual who holds a lease of a residential property from and occupies a property belonging to the Council and excludes Tenants;

"Local Authority Person" means any person:

- (i) who is a member of the Council; or
- (ii) who is an officer of the Council (which for these purposes shall not include employees with non-managerial posts apart from housing employees);

"the Protocol" means the protocol set out in Schedule 10 to the Management Agreement between the Organisation and the Council and as may be amended from time to time by the parties;

"the seal" means the common seal of the Organisation;

"Secretary" means the secretary of the Organisation or any other person appointed to perform the duties of the secretary of the Organisation, including a joint, assistant or deputy secretary;

"Tenant" means an individual who holds a secure tenancy of a residential property from and occupies a property belonging to the Council;

"Tenant Board Member" means a Board Member appointed pursuant to Article 15;

"the United Kingdom" means Great Britain and Northern Ireland.

1.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Companies Acts but excluding any statutory modification thereof not in force when these Articles become binding on the Organisation.

1.3 In these Articles words importing individuals shall, unless the context otherwise require, include corporations and words importing the singular number shall include the plural, and vice versa and words importing the masculine gender shall include the feminine gender.

2 **Name**

The name of the company is **Newark and Sherwood Homes Limited** (the **Organisation**).

3 **Registered Office**

The Organisation's registered office is to be located in England.

4 **Objects**

The objects of the Organisation shall be primarily in the areas where the Council owns or manages housing stock to:

- 4.1 provide, manage, maintain, improve, demolish or convert the housing stock owned, managed or provided by the Council from time to time and any other social housing and other housing stock together with any other amenities or facilities for the benefit of residents of such housing stock either exclusively or together with persons who are not residents of such housing stock;
- 4.2 provide amenities and services of any description for residents of housing stock referred to in Article 4.1 either exclusively or together with persons who are not residents of such housing stock;
- 4.3 provide advice and assistance to all tenants, leaseholders and licensees of the Council and applicants for housing and applicants for housing advice in respect of the housing owned, managed or provided by the Council;
- 4.4 carry out any activity which contributes to the regeneration or development in the area of the Council (within the meaning of Section 126 of the Housing Grants Construction and Regeneration Act 1996) including but not limited to:-
 - 4.4.1 securing that land and buildings are brought into effective use;
 - 4.4.2 contributing to or encouraging economic development;
 - 4.4.3 creating an attractive and safe environment;
 - 4.4.4 preventing crime or reducing the fear of crime;
 - 4.4.5 providing or improving housing or social and recreational facilities for the purpose of encouraging people to live or work in the said area or for the purpose of benefiting people who live there;
 - 4.4.6 providing employment for local people;
 - 4.4.7 providing or improving training, educational facilities or health services for local people;
 - 4.4.8 assisting local people to make use of opportunities for education, training or employment; and

- 4.4.9 meeting the special needs of local people which arise because of disability or because of their sex or the racial group to which they belong;
- 4.5 provide, construct, repair, improve, manage or maintain housing and hostels to be kept available for letting;
- 4.6 provide, construct, repair, improve, manage, or maintain accommodation required from time to time for the benefit of persons who require temporary accommodation;
- 4.7 provide, construct, repair, improve, manage or maintain housing for sale (including for sale on shared equity or shared ownership or other similar terms) or otherwise dispose of on such terms as the Organisation shall determine;
- 4.8 provide services of any description for the Council or any third party subject to Council consent;
- 4.9 assess applicants for housing assistance;
- 4.10 assess applications by residents of housing stock owned, managed or provided by the Council to exercise the right to buy under Part V of the Housing Act 1985 or enfranchisement or commonhold applications under the Leasehold Reform Housing and Urban Development Act 1993 and the Commonhold and Leasehold Reform Act 2002;
- 4.11 enable or assist any residents of the housing stock owned, managed or provided by either the Council or the Organisation to acquire, or to acquire and enter into occupation of, houses; and
- 4.12 do all such other acts and things as may be incidental or conducive to the attainment of the foregoing objects.
- 5 Powers**
- 5.1 Subject to Article 5.3 the Organisation shall have power to do any thing that a natural or corporate person can lawfully do which is necessary or expedient in furtherance of its objects unless prohibited by these Articles.
- 5.2 Subject to Article 5.3 and without limiting the powers described in Article 5.1 the Organisation shall have power to:
- 5.2.1 carry out works to land, buildings or other property;
- 5.2.2 purchase, lease, exchange, hire or otherwise acquire any real or personal property rights or privileges (including shared or contingent interests);
- 5.2.3 sell, lease, licence, exchange, dispose of or otherwise deal with property;
- 5.2.4 contract with the Council or any other person or organisation in furtherance of its objects;
- 5.2.5 subject to the prior written consent of the Council and to such consents as may be required by law to borrow money, issue loan stock or raise money

in such manner as the Organisation shall determine and to secure the repayment of any money borrowed raised or owing by such security as the Organisation shall determine (including by way of floating charge) upon the whole or any part of the Organisation's property or assets (whether present or future) and also by giving similar security to secure and guarantee the performance by the Organisation of any obligation or liability it may undertake or which may become binding on it;

- 5.2.6 insure and arrange insurance cover for the Organisation from and against all such risks as the Board may determine and to pay any premium in respect of such insurance;
- 5.2.7 subject to Article 33, insure and arrange insurance cover for and to indemnify its Board Members, employees and voluntary workers and the Council from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premium in relation to indemnity insurance in respect of liabilities of its Board Members or any of them which would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in respect of the Organisation **provided that** such insurance shall not extend to any liability in respect of an act or omission which such Board Member or Board Members knew or ought reasonably to have known was a breach of duty or trust or which was committed by such Board Member or Board Members recklessly without due regard as to whether such act or omission might be a breach of duty or trust;
- 5.2.8 invest any monies of the Organisation not immediately required for the furtherance of its objects as it determines and as permitted by law;
- 5.2.9 subject to such consents as may be required by law and compliance with all formal guidance issued by any statutory regulator with authority over the Organisation to purchase or otherwise acquire or to encourage or promote and in any way support or aid the establishment and development of any subsidiary, or any other body established for the purposes of carrying on any trade or business either for the purpose of raising funds for the Organisation or for the furtherance of the objects of the Organisation;
- 5.2.10 subject to the prior written consent of the Council, make donations, grants or loans or provide services or assistance to such persons and organisations and on such terms as the Organisation may determine to further the objects of the Organisation;
- 5.2.11 carry out on behalf of the Council such of the Council's duties and functions as to keeping of the Council's Housing Revenue Account for the purposes of Section 74 of the 1989 Act as may be lawfully undertaken otherwise than by the Council directly; and
- 5.2.12 provide services or assistance to such persons and organisations as permitted by the objects and on such terms as the Board shall determine to further the objects of the Organisation.

provided that in the event that the Organisation shall take or hold any property which may be subject to any trusts, the Organisation shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

- 5.3 The Organisation shall not do any act or thing which causes or might cause the Council to be in breach of the CIPFA Prudential Code for Capital Finance in Local Authorities.

6 Application of income and property

- 6.1 The income and property of the Organisation shall be applied solely towards the promotion of its objects as set forth in these Articles.

- 6.2 Save as provided in Articles 6.3 – 6.4, no portion of the income and property of the Organisation shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to the Council and no Board Member (other than a Co-optee) shall be appointed to any office of the Organisation paid by salary or fees or receive any remuneration or other benefit or money or money's worth from the Organisation.

- 6.3 Notwithstanding the provisions of Articles 6.1 and 6.2 the Organisation may make payment in good faith:

6.3.1 of reasonable and proper remuneration (including pensions, contributory pension payments, payment of premiums to pension policies and terminal grants and gratuities) to any officer or employee of the Organisation (not being a Board Member other than a Co-optee) in return for any services rendered to the Organisation;

6.3.2 of fees, remuneration or other benefit in money or money's worth to a company or other body corporate of which a Board Member may be a member holding not more than 2% of the share capital of the company or body corporate;

6.3.3 to any Board Member of reasonable and proper remuneration and reasonable expenses in accordance with Article 23 and such other sums as may be determined by the Council **provided that** no sum shall be paid to a Board Member:

(a) who is an elected member of the Council, in excess of that which would be permitted to be paid by the Local Authorities (Companies) Order 1995; and

(b) in excess of that which would be permitted to be paid to a Board Member pursuant to any guidance issued from time to time by any statutory regulator or other competent body with authority over the Organisation;

6.3.4 of reasonable and proper remuneration to the Council or employees thereof (not being Board Members) in return for any services rendered to the Organisation;

- 6.3.5 of reasonable and proper rent for premises demised or let by the Council;
 - 6.3.6 of reasonable and proper interest on money lent by the Council; or
 - 6.3.7 subject to Article 6.3.3, of an honorarium payment as shall be recommended by the Board and approved by the Council from time to time, to the Board Members in recognition of the skills, knowledge and time commitment required of the role
- 6.4 Notwithstanding the provisions of Articles 6.1 and 6.2, the Organisation may manage a property in accordance with its objects (including the full range of activities it may undertake) notwithstanding the fact that the tenant, lessee or licensee (or prospective tenant, lessee or licensee) of such property may be a Board Member **provided that** no Board Member shall be entitled to speak in any debate or cast any vote in respect of any matter relating specifically to the property of which he is tenant, lessee or licensee and to no other property of the Organisation and shall absent himself/herself from such proceedings.
- 7 Equal Opportunities**
- The Organisation shall at all times take into consideration and take positive action to promote the principles of equality of opportunity irrespective of age, gender, race, nationality, ethnic origin, religion, sexual orientation or disability.
- 8 Limited Liability**
- The liability of the Council is limited.
- 9 Members' Guarantee**
- The Council undertakes to contribute to the assets of the Organisation, in the event of the same being wound up while they are a member of the Organisation, or within one year after they cease to be a member of the Organisation, for payment of the debts and liabilities of the Organisation contracted before they cease to be a member of the Organisation, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.
- 10 Winding up**
- If, upon the winding up or dissolution of the Organisation, there remains, after the satisfaction of all its debts and liabilities any property whatsoever, the same shall be paid or transferred to the Housing Revenue Account (as defined in the 1989 Act) of the Council.
- 11 Admission of Members**
- 11.1 No person other than the Council shall be admitted to membership of the Organisation.
- 11.2 The Council shall nominate a person to act as its representative in the manner provided in Section 323 of the 2006 Act. Such representative shall have the right on

behalf of the Council to attend meetings of the Organisation and vote thereat, and generally exercise all rights of membership on behalf of the Council. The Council may from time to time by written notice to the Secretary revoke the nomination of such representative and may nominate another representative in his place.

- 11.3 The rights of the Council shall be personal and shall not be transferable.

12 General meetings and resolutions

- 12.1 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 12.2 The Board Members may call general meetings and, on the requisition of the Council, shall forthwith proceed to convene a general meeting as required pursuant to the provisions of Section 304 of the 2006 Act. If there are not within the United Kingdom sufficient Board Members to call a general meeting, any Board Member or the Council may call a general meeting.
- 12.3 Any general meeting not called on the requisition of the Council pursuant to Article 12.2 shall be called by at least fourteen clear days' notice or by shorter notice if it is so agreed by the Council. The notice shall specify the time and place of the meeting and, in the case of an annual general meeting, shall specify the meeting as such. The notice shall be given to the Council and to the Board Members and to the Organisation's auditors.
- 12.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 12.5 No business shall be transacted at any general meeting unless a quorum is present. The presence of a duly authorised representative of the Council shall be a quorum.
- 12.6 If the Council Member makes a decision which is required to be taken in a general meeting or by means of a written resolution, that decision shall be valid and effectual as if agreed by the Organisation in general meeting **provided that** any such decision taken by the Council pursuant to this Article 12.6 is recorded in writing, signed by the Council Representative and delivered to the Secretary for entry in the Organisation's minute book.
- 12.7 An entry in the minutes of any general meeting stating that a resolution has been carried or lost shall be conclusive evidence of the fact.

13 The Board

- 13.1 The Board shall comprise up to nine Board Members consisting of:
- 13.1.1 up to three Council Board Members;
 - 13.1.2 up to three Tenant Board Members; and
 - 13.1.3 up to three Independent Board Members;

provided that the Council, as the sole Member of the Organisation, may at any time determine a different Board size or composition by an ordinary resolution.

- 13.2 No more than four Board Members shall be Tenants and Leaseholders.
- 13.3 No more than four Board Members shall be Local Authority Persons.
- 13.4 In the event that the number of Board Members shall be less than the numbers specified in this Article 13 the remaining Board Members shall use reasonable endeavours to appoint further Board Members and may act notwithstanding this Article.
- 13.5 Save for any appointments under Article 17, each Board Member shall be appointed for a fixed term of office expiring at the conclusion of an annual general meeting (each a **fixed term**) and the period between consecutive annual general meetings is hereinafter in these Articles called a **year**. The fixed term shall be for a term expiring at the conclusion of the third annual general meeting unless a shorter term was set for an individual Board Member so as not to cause that Board Member to serve for more than nine consecutive years.
- 13.6 At every annual general meeting each Board Member who has served on the Board for their fixed term shall retire from the office.
- 13.7 Any Board Member who retires from office at an annual general meeting under Article 13.6 shall be eligible for re-appointment for a second or third fixed term subject to a satisfactory Appraisal and subject also to the provisions of Article 18.15.
- 13.8 For the purposes of these Articles, any Board Member serving on the Board before these Articles were adopted shall be deemed to have been appointed at the time of their last appointment to the Board for a fixed term of three years and shall be eligible for reappointment subject as provided in Article 13.7.
- 13.9 Notwithstanding any other provisions in these Articles, the Council shall have power at any time by notice in writing signed by the Council Representative and delivered to the Secretary to appoint and remove any Board Member.

14 Council Board Members

- 14.1 Subject to Article 13 the Council shall from time to time nominate three persons for appointment as Council Board Members and shall have the power to remove from office any such Board Member.
- 14.2 Nomination or removal pursuant to Article 14.1 shall be by notice in writing signed by the Council Representative and delivered to the Secretary. In case of a removal, it shall take effect from the date the notice was delivered to the Secretary or such other date as may be specified in the notice. In case of a nomination, the person so nominated shall be duly appointed as a Council Board Member with effect from the close of the annual general meeting at which the Secretary announces the nomination.

15 Tenant Board Members

- 15.1 Prior to every annual general meeting at which any Tenant Board Member vacancies need to be filled, direct elections shall be held among the Tenants for the number of Tenant Board Members to be appointed thereat **provided that** no such elections are required for any re-appointment of a retiring Tenant Board Member pursuant to Articles 13.7 and 15.3. Only Tenants and Leaseholders shall be eligible to be appointed as Tenant Board Members but otherwise the mode and manner of such elections shall be as the Board may from time to time agree subject at all times to compliance with Article 13.
- 15.2 The Secretary shall announce the results of the elections referred to in Article 15.1 at each relevant annual general meeting and the Tenants so elected shall be duly appointed as Tenant Board Members with effect from the close of such meeting.
- 15.3 If, at the annual general meeting at which any Tenant Board Member vacancies need to be filled, there are no other candidates to fill the post the retiring Tenant Board Member shall, if willing to act and subject to Article 13.7, be deemed to have been re-appointed unless a resolution not to reappoint that Board Member is passed by the Board.

16 Independent Board Members

- 16.1 If, at the annual general meeting at which any Independent Board Member vacancies need to be filled, there are no other candidates to fill the post the retiring Independent Board Member shall, if willing to act and subject to Article 13.7, be deemed to have been re-appointed unless a resolution not to reappoint that Board Member is passed by the Board.
- 16.2 Except in the case of a casual vacancy filled by the Board under Article 17 below, no person other than an Independent Board Member who is deemed to have been re-appointed under Article 16.1 shall be appointed as an Independent Board Member at any general meeting unless he is recommended by the Board.
- 16.3 Subject to Articles 13 and 16.1 – 16.2 the Council shall by ordinary resolution appoint any eligible person who is willing to act as an Independent Board Member.
- 16.4 Not less than seven nor more than twenty-eight clear days before the date appointed for holding an annual general meeting notice shall be given to the Council of any person (other than a Board Member who is deemed to have been re-appointed under Article 16.1) who is recommended by the Board for appointment or reappointment as an Independent Board Member at the meeting. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Organisation's register of Board Members.

17 Casual vacancies and Co-optees

- 17.1 Subject to Article 13 the Board may appoint a person who is willing to act to be a Board Member to fill a vacancy which arises between annual general meetings **provided that:**

- 17.1.1 the Board may only fill vacancies occurring among Council Board Members where the Council shall have failed within three months of a written request by the Organisation or prior to the relevant annual general meeting to make the appropriate nominations pursuant to Articles 14.1 – 14.2 or shall have given notice to the Organisation in writing that it does not intend to do so;
- 17.1.2 the Board may only fill vacancies occurring among Tenant Board Members where the tenant participation mechanisms agreed by the Board for the selection of Tenant Board Members from time to time shall have failed, within three months of a written request by the Organisation or prior to the relevant annual general meeting, to make a nomination to fill such vacancy or shall have given notice to the Organisation in writing that it does not intend to do so.

A Board Member appointed under this Article 17.1 shall hold office only until the next following annual general meeting. If not re-appointed at such annual general meeting he shall vacate office at the conclusion thereof.

- 17.2 The Board may from time to time co-opt up to a maximum of three persons (including no more than one Leaseholder) to the Board and may at any time revoke such co-option.

18 Disqualification and removal of Board Members

- 18.1 A person shall be ineligible for appointment as a Board Member or as a Co-optee and if already appointed shall immediately cease to be a Board Member or a Co-optee if the relevant individual:-
- 18.2 ceases to be a Board Member by virtue of any provision of the Companies Acts or becomes prohibited by law from being a company director; or
- 18.3 is or becomes a person disqualified or suspended from elected membership of a local authority; or
- 18.4 becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 18.5 resigns his office by notice to the Organisation; or
- 18.6 is removed from office by a resolution (or written notice signed by) at least three quarters of all the other Board Members from time to time; or
- 18.7 shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period and the Board resolves that his office be vacated; or
- 18.8 in any period of 12 months, he shall have been absent (without the permission of the Board Members) from at least 60% of the meetings of the Board held during that period and the Board resolves that his office be vacated; or
- 18.9 in the case of a Tenant Board Member he ceases to be a Tenant or Leaseholder **provided that** this Article 18.8 shall not apply in respect of a Tenant Board Member

temporarily ceasing to be a Tenant as a result of the demolition of or works carried out to that Tenant Board Member's home; or

- 18.10 is a Tenant Board Member and is (in the reasonable opinion of a majority of Board Members) in serious breach of their obligations as a Tenant or Leaseholder (as the case may be); or
- 18.11 is a Council Board Member and is or becomes a Tenant or Leaseholder leading to a breach of the limit in Article 13.2; or
- 18.12 is a Tenant Board Member and is or becomes a Local Authority Person leading to a breach of the limit in Article 13.3; or
- 18.13 is an Independent Board Member and is or becomes a Tenant, a Leaseholder or a Local Authority Person; or
- 18.14 is removed by resolution of the Council pursuant to Article 13.9; or
- 18.15 is a Co-optee and his co-option is revoked by the Board; or
- 18.16 shall have served on the Board for a period of nine consecutive years.

19 Powers of the Board

19.1 Subject to:

- 19.1.1 the provisions of the Companies Acts;
- 19.1.2 directions of the Council in general meetings; and
- 19.1.3 these Articles,

the business of the Organisation shall be managed by the Board who may exercise all the powers of the Organisation. No alteration of these Articles or directions of the Council shall invalidate any prior act of the Board which would have been valid if that alteration had not been made. The powers given by this Article shall not be limited by any special power given to the Board by these Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.

- 19.2 The Board may, by power of attorney or otherwise, appoint any person to be the agent of the Organisation for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

20 Borrowing Powers

Subject to Article 5 the Board may exercise all the powers of the Organisation to borrow money without limit as to amount and upon such terms and in such manner as the Board considers fit, and to grant any mortgage, charge or other security over the undertaking and property of the Organisation, or any part thereof, and to issue any debenture, whether outright or as security for any debt, liability or obligation of the Organisation or of any third party.

21 Delegation of Board Members' Powers

- 21.1 The Board may delegate in writing any of its powers to any committee consisting of two or more Board Members together with such other persons as the Board sees fit (but so that Board Members shall constitute a majority).
- 21.2 The Board may delegate in writing to the Chairman or any vice or deputy Chairman or to any executive officer such of its powers as it considers desirable to be exercised by him.
- 21.3 Any delegation under this Article 21 may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of the Board so far as they are capable of applying.

22 Alternate Board Members

No Board Member shall be entitled to appoint any person as an alternate Board Member.

23 Board Members' honorariums and expenses

- 23.1 Subject to Article 6.3.7, Board Members may be paid an honorarium at a level deemed by the Board to be a reasonable and proper amount, in light of the contribution of the Board Member and the calibre of Board Member required to fulfil the role.
- 23.2 The Board Members and Co-optees may be paid all travelling, hotel, and other expenses reasonably and properly incurred by them in connection with their attendance at meetings of the Board or committees of the Board or general meetings or otherwise in connection with the discharge of their duties and such other sums as may be determined by the Council pursuant to Article 6.3.3.

24 Board Members' interests

- 24.1 A Board Member (or Co-optee) may not have any financial interest personally or as a member of a firm or as a director or senior employee (being an employee with managerial status) or in any contract or other transaction of the Organisation unless it is permitted by these Articles and is not prohibited by Article 6.
- 24.2 Each Board Member (and Co-optee) shall ensure that the Secretary has at all times an up to date list of:-
- 24.2.1 all bodies trading in which he or she has an interest as:
- (a) a director or senior employee; or
 - (b) a member of a firm; or
 - (c) the owner or controller of more than 2% of the issued share capital in a company or other body corporate having a share capital; or ,

- 24.2.2 all interests as an official or elected member of any statutory body; or
- 24.2.3 all interests as the occupier of any property owned or managed by the Organisation; or
- 24.2.4 any other significant or material interest.

24.3 Authorisation of conflicts

- 24.3.1 If an actual or potential conflict of interest arises for a Board Member other than in relation to a transaction or arrangement with the Organisation and the conflict is not authorised by virtue of any other provision in the Articles, the un-conflicted Board Members may authorise such a conflict of interests **provided that:**
 - (a) any conflicted Board Member is not to be counted in the quorum of Board Members at the meeting where the conflict is to be authorised; and
 - (b) the un-conflicted Board Members consider it is in the interests of the Organisation to authorise the conflict of interest in the circumstances applying.
- 24.3.2 The Board Members may attach any conditions to an authorisation given under Article 24.3.1 that they consider to be in the best interests of the Organisation.
- 24.3.3 The Board should consider whether any actual or potential conflicts should be authorised in accordance with Article 24.3.1 each time:
 - (a) a new Board Member is appointed; or
 - (b) a new situation (not already authorised) arises for an existing Board Member that gives rise to an actual or potential conflict of interests.
- 24.3.4 In authorising any matter under this Article 24.3, the Board may also decide that if a Board Member receives or has received information otherwise than by virtue of his position as a Board Member of the Organisation and in respect of which he owes a duty of confidentiality to another person, the Board Member is under no obligation to:
 - (a) disclose any such information to the Organisation, the Board or any other Board Member or employee of the Organisation; or
 - (b) use or apply any such information in connection with the performance of his duties as a Board Member.

24.4 Interests

- 24.4.1 Any Board Member (or Co-optee) having an interest in any arrangement between the Organisation and another person or body shall disclose that interest to the meeting before the matter is discussed by the Board or

committee of the Board. Unless the interest is of the type specified in Article 24.4.2 or 24.4.3 the Board Member (or Co-optee) concerned shall not remain present during the discussion of that item unless requested to do so by the remaining members of the Board or committee of the Board and may not vote on the matter in question, but no decision of the Board or any committee of the Board shall be invalidated by the subsequent discovery of an interest which should have been declared.

24.4.2 Provided the interest has been properly disclosed pursuant to Article 24.4.1 a Board Member (or Co-optee) may remain present during the discussion and a Board Member (but not a Co-optee) may vote on the matter under discussion where the interest arises because:

- (a) the Board Member (or Co-optee) is a Tenant or Leaseholder, so long as the matter in question affects all or a substantial group of Tenants or Leaseholders; or
- (b) the Board Member (or Co-optee) is a director or other officer of a company or body which is a parent, subsidiary or associate of the Organisation; or
- (c) the Board Member (or Co-optee) is an official or elected member of any statutory body; or
- (d) of any other reason but the conflict was authorised under Article 24.3.

24.4.3 A Board Member (or Co-optee) shall not be treated as having an interest:

- (a) of which the Board Member (or Co-optee) has no knowledge and of which it is unreasonable to expect him to have knowledge;
- (b) in the establishment of a policy in respect of Board Member (or Co-optee) expenses payable pursuant to Article 23;
- (c) in the decisions relating to the level of honorarium to be paid to Board Members (excluding the Chair and Vice Chair).

24.5 If a question arises at a meeting of the Board or of a committee of the Board as to the right of a Board Member (other than the chairman of the meeting) to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Board Member (other than himself) shall be final and conclusive

24.6 If a question arises at a meeting of the Board or of a committee of the Board as to the right of the chairman of the meeting to vote, and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be decided by resolution of the Board Members present at that meeting (excluding the Chairman), whose majority vote shall be final and conclusive.

25 **Proceedings of board meetings**

25.1 Subject to:

25.1.1 these Articles;

25.1.2 any regulations established from time to time by the Organisation; and

25.1.3 compliance with all relevant statutory requirements

the Board may regulate its proceedings as it determines.

25.2 One third of the total number of Board Members (or such whole number of Board Members nearest to one third) may call a meeting of the Board. It shall not be necessary to give notice of a meeting to a Board Member who is absent from the United Kingdom.

25.3 A Board meeting or a meeting of a committee of the Board may consist of a conference between Board Members or committee members through the medium of conference telephone or any form of electronic communication or similar form of communications equipment or combination of such methods **provided that** each Board Member or committee member participating in the meeting is able to hear and speak to each other participating Board Member or committee member throughout the meeting. A Board Member or committee member so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Companies Acts, all business transacted in such manner by the Board Members or by a committee of the Board shall for the purposes of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or of a committee notwithstanding that fewer than two Board Members or committee members are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or if there is no such group where the chair of the meeting then is. The word "meeting" in these Articles shall be construed accordingly.

25.4 The quorum for the transaction of the business of the Board at the time when any Board meeting proceeds to business shall be four. The Board will not be quorate unless the quorum consists of at least one Board Member from two of the three categories of Board Members (e.g. one Tenant Board Member and one Council Board Member, or one Independent Board Member and one Council Board Member, or one Tenant Board Member and one Independent Board Member). Co-optees may not count towards a quorum.

25.5 If a quorum is not present within half an hour from the time appointed for a Board meeting the Board meeting shall, if requested by a majority of those Board Members present, be adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Board Members present may determine.

25.6 *If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 25.4 the Board Members present shall constitute a quorum.*

25.7 Questions arising at a Board Meeting shall be decided by a majority of votes and each Board Member present in person shall be entitled to one vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

25.8 Co-optees shall be entitled to attend and to speak but not to vote at meetings of the Board or of a committee of the Board.

25.9 All acts done by a meeting of the Board, or of a committee of the Board or by a person acting as a Board Member shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Board Member or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Board Member and had been entitled to vote.

26 Chairman and vice or deputy chairman

26.1 The Board Members shall appoint one of their number to be the Chairman of the Board in accordance with a policy on the recruitment and selection of the Chairman adopted by the Board from time to time. The appointment of the Chairman is subject to the Board being compliant with Articles 13.1 to 13.3 at all times by, if necessary, utilising the powers of the Board to remove a Board Member contained in Article 18.

26.2 Unless he is unwilling to do so, the Board Member so appointed shall preside at every meeting of the Board at which he is present. But if there is no Board Member holding that office, or if the Board Member holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Board Members present may appoint one of their number to be Chairman of the meeting.

26.3 The Board may appoint a vice or deputy chairman to act in the absence of the Chairman on such terms as the Board shall think fit.

27 Written resolution

A resolution in writing signed by:

27.1 three quarters of all the Board Members entitled to receive notice of a meeting of the Board or of a committee of the Board; and

27.2 the Chairman of the Organisation or of the relevant committee; and

which satisfies the quorum requirements of Article 25.4 shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held and may consist of several documents in the like form each signed by one or more Board Members

28 Secretary

The Organisation may have a Secretary (and any deputy or alternate Secretary) who shall be appointed by the Board for such term, at such remuneration and upon such conditions as the Board may determine and any Secretary so appointed may be removed by the Board.

29 Minutes

The Board shall cause minutes to be made in books kept for the purpose:-

- 29.1 of all appointments of officers made by the Board Members; and
- 29.2 of all proceedings at meetings of the Organisation and of the Board, and of committees of the Board and of the Council in its capacity as the sole member of the Organisation, including the names of the Board Members present at each such meeting.

30 Records accounts and returns

The Organisation shall comply with the provisions of the Companies Acts in respect of:-

- 30.1 the keeping and auditing of accounting records;
- 30.2 the provision of accounts and annual reports of the directors; and
- 30.3 the making of an annual return.

31 The Seal

- 31.1 If the Organisation has a seal it shall only be used with the specific or general authority of the Board or of a duly authorised committee of the Board. The Board may *determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Board Member and by the Secretary or a second Board Member.*
- 31.2 The Organisation may exercise the powers conferred by Section 49 of the 2006 Act *with regard to having an official seal for use abroad, and such powers shall be vested in the Board Members.*

32 Notices

- 32.1 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Board or of a committee of the Board need not be in writing.
- 32.2 The Organisation may give any notice to the Council either personally or by sending it by post in a prepaid envelope addressed to the Council at their registered address or by leaving it at that address.
- 32.3 The Council present by duly authorised representative at any meeting of the Organisation shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 32.4 *Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.*

33 **Indemnity**

- 33.1 Every Board Member or other officer of the Organisation shall be indemnified out of the assets of the Organisation against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 1157 of the 2006 Act in which relief is granted to him and no Board Member or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Organisation in the execution of the duties of his office or in relation thereto **provided that** this Article shall only have effect in so far as its provisions are not avoided by Section 232 of the 2006 Act.
- 33.2 Save as provided in Article 5.2.7, the Board shall have power to purchase and maintain for any Board Member or officer of the Organisation insurance against any such liability as is referred to in Section 232 of the 2006 Act.