

Company number 09223395

**SPECIAL RESOLUTION**

OF

**GREATER LINCOLNSHIRE LEP LIMITED (Company)**

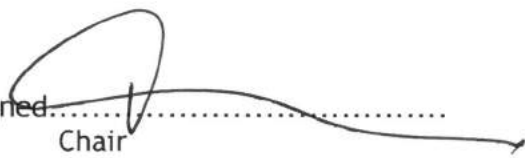
Passed on 8 February 2021

At a general meeting of the Company duly convened and held at Lancaster House Board Room, Lancaster House, 36 Orchard Street, Lincoln, LN1 1XX on the 8 February 2021 at 2.00pm the following resolution was duly passed as a special resolution.

**SPECIAL RESOLUTION**

THAT the draft articles of association produced to the meeting and, for the purposes of identification, initialled by the Chairperson be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

Signed.....  
Chair



**GREATER LINCOLNSHIRE LEP LIMITED**

**COMPANY LIMITED BY GUARANTEE**

**COMPANY NUMBER: 09223395**

**ARTICLES OF ASSOCIATION**



8<sup>th</sup> February 2021

## **INTERPRETATION, OBJECTS AND LIMITATION OF LIABILITY**

### **1. Preliminary**

The Articles contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) are excluded and shall not apply to the Company and these Articles alone shall constitute the regulations of the Company.

### **2. Operative clauses**

2.1 In these Articles the following words and expressions shall have the following meanings:

"2006 Act"	the Companies Act 2006 as amended from time to time;
"Articles"	these Articles of Association of the Company as amended from time to time and a reference to an Article is a reference to the relevant article of these Articles unless expressly provided otherwise;
"Board"	the board of Directors of the Company from time to time;
"Chair"	the chair of the Board and of general meetings from time to time, appointed in accordance with Article 21.1;
"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;
"Company"	The Greater Lincolnshire LEP Limited as adopted with these Articles;
"Confidential Information"	shall mean (i) any information obtained by the Company from any other person and the disclosure of which to the public would constitute a breach of confidence actionable by that person or another person; or (ii) any information falling within the definition of confidential information contained in section 100(A)(3) of the Local Government Act 1972 as amended at any given time;
"Co-opted Director"	an individual appointed as such by the Directors in accordance with Article

	20.8
"Deputy Chair"	each and any of the deputy chairs appointed in accordance with Article 21.2;
"Directors"	the directors from time to time of the Company or (as the context shall require) a duly quorate meeting of the Directors as appropriate;
"Director Code of Conduct"	the code of conduct in relation to the Directors issued from time to time by the Company;
"Disclosable Pecuniary Interest"	any interest which is a disclosable pecuniary interest under the law applicable to local authorities from time to time;
"District Councils"	Boston Borough Council; City of Lincoln Council; East Lindsey District Council; North Kesteven District Council; South Holland District Council; South Kesteven District Council and West Lindsey District Council;
"District Council Director"	a Director appointed from time to time in accordance with Article 20.6;
"Diversity Champion"	a Director nominated by the Directors from time to time in accordance Article 18.4 to encourage diversity and ensure that the Company is acting in line with its diversity statement;
"Electronic Address"	any address or number used for the purposes of sending or receiving documents or information by electronic means;
"Electronic Means" and "Electronic Form"	have the meaning given in section 1168 of the 2006 Act;
"Exempt Information"	any information which would be exempt information in respect of a local authority as defined in section 100I and Schedule 12A of the Local Government Act 1972 as amended at any given time;
"GLLEP Region"	the area of England consisting of the combined administrative areas of the

	Upper Tier Councils;
"Hard Copy Form"	has the meaning given in section 1168 of the 2006 Act;
"Local Authority" or "Authorities"	Lincolnshire County Council; North Lincolnshire Council; North East Lincolnshire Council; Rutland County Council and the District Councils;
"Local Authority Member"	a Member of the Company that is a Local Authority;
"Members"	such members as may be admitted to the Company from time to time in accordance with the Articles (or any of them as the context may require);
"Member's Representative"	a person nominated to act on behalf of a Member which is an organisation in accordance with Article 10;
"Non Private Sector Director"	a Director who is an Upper Tier Council Director, a District Council Director or a Public sector Director;
"Non Private Sector Member"	a Member of the Company that is a Local Authority Member or a Public Sector Member;
"Objects"	the objects of the Company as stated in Article 3;
"Observer Code of Conduct"	the code of conduct in relation to observers of meetings of the Company issued from time to time by the Company;
"Private Sector Director"	a Director appointed from time to time in accordance with Article 20.4;
"Private Sector Entities"	an individual or organisation operating other than within the public sector to include for profit and not-for profit organisations including social enterprises;
"Private Sector Member"	a Member of the Company that is a Private Sector Entity;
"Public Sector Bodies"	any public sector bodies operating within the GLLEP Region other than the Local Authorities including further and higher education establishments,

	NHS commissioners and providers and central government departments and agencies;
"Public Sector Director"	a Director appointed from time to time in accordance with Article 20.7;
"Public Sector Member"	a Member of the Company that is a Public Sector Body;
"Small and Medium Enterprise Champion"	a Director nominated by the Directors from time to time in accordance Article 18.3 to champion small and medium enterprise businesses and their interests within the Local Enterprise Partnership and the local community;
"Statutes"	the Companies Acts as defined in section 2 of the 2006 Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company;
"Strategic Advisory Board"	a sub board of the Board designated by the Board as a strategic advisory board to which matters are delegated by the Board;
"Substitute"	a substitute appointed from time to time in accordance with Article 27;
"United Kingdom"	Great Britain and Northern Ireland;
"Upper Tier Council"	Lincolnshire County Council; North Lincolnshire Council, North East Lincolnshire Council and Rutland County Council;
"Upper Tier Council Director"	a Director appointed from time to time in accordance with Article 20.5.

- 2.2 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the 2006 Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
- 2.3 Where the word 'address' appears in these Articles it is deemed to include postal address and Electronic Address and "registered address" shall be construed accordingly.
- 2.4 The expression "business day" in relation to a period of notice means any day other than Saturday, Sunday and Christmas Day, Good Friday or any day that is a bank holiday under the Banking and Financial Dealing Act 1971 in the part of the UK where the Company is registered.

- 2.5 Any reference to "person" includes individuals, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations and any trusts (in each case whether or not having separate legal personality).
- 2.6 Words importing one gender only shall where the context so admits include all or any genders.
- 2.7 Unless the context otherwise requires the singular includes the plural and vice versa.
- 2.8 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 2.9 General words shall not be given a restrictive meaning because they are preceded or followed by words indicating a particular class or example of acts, matters or things so any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

### **3. Objects**

The objects for which the Company is established is to fulfil the role within the GLLEP Region of a Local Enterprise Partnership in accordance with any statutory requirements or guidance from time to time including, without prejudice to the generality of the foregoing:

- 3.1 to develop an evidence-based local industrial strategy that identifies local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness across the area;
- 3.2 to identify and develop investment opportunities; prioritising the award of local growth funding; and monitoring and evaluating the impacts of its activities to improve productivity across the local economy;
- 3.3 using its convening power, for example to co-ordinate responses to economic shocks; and bringing together partners from the private, public and third sectors; and
- 3.4 collaborating with a wide range of local partners to act as an informed and independent voice for the GLLEP Region.

### **4. Powers**

In pursuance of the Objects, but not further or otherwise, the Company has the power to do all such lawful things which are calculated to further the Objects or are conducive or incidental to doing so.

### **5. Application of income and property**

- 5.1 Subject to the provisions of this Article the income and property of the Company shall be applied solely towards the promotion of the Objects.
- 5.2 No portion of the income or property of the Company shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to the Members, provided that nothing in these Articles shall prevent any payment in good faith by the Company:
  - 5.2.1 of reasonable and proper remuneration to any employee, worker, consultant or other service provider of the Company for any services rendered to the Company;
  - 5.2.2 of interest or capital in respect of money lent by any Member;

- 5.2.3 of reasonable and proper rent or licence fee for any premises demised, let or licensed by any Member or Director; and
- 5.2.4 to any Director of reasonable out of pocket expenses properly incurred in connection with the business or undertaking of the Company.

## **6. Winding up**

On the winding-up or dissolution of the Company, after the satisfaction of all its debts and liabilities, any assets or property that remains available to be distributed or paid shall not be paid or distributed to the Members but shall be gifted to one or more organisations that have a similar objects to those of the Company. Such body to be determined by resolution of the Members at or before the time of winding up or dissolution and, subject to any such resolution of the Members, may be made by resolution of the Directors at or before the time of winding up or dissolution.

## **7. Liability of Members**

The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for:

- 7.1 payment of the Company's debts and liabilities contracted before he ceases to be a Member;
- 7.2 payment of the costs, charges and expenses of the winding up; and
- 7.3 adjustment of the rights of the contributories among themselves.

## **MEMBERS: BECOMING AND CEASING TO BE A MEMBER**

### **8. Membership**

- 8.1 Subject to the provisions of these Articles, the Members shall be those individuals or organisations registered at the date of adoption of these Articles in the register of members of the Company together with such other Local Authorities, Public Sector Bodies and Private Sector Entities as shall:-
  - 8.1.1 apply to the Company to be a Member using the application process approved by the Directors; and
  - 8.1.2 be approved by the Directors and admitted to membership from time to time in accordance with these Articles.
- 8.2 The Directors may in their absolute discretion accept or decline to accept any application for membership and need not give reasons for doing so.
- 8.3 Membership shall not be transferable save that where a Local Authority Member or Public Sector Member shall cease to exist as a local authority or as a Public Sector Body its statutory successor shall automatically become a Member (save where such statutory successor provides written notice to the Company that it does not wish to become a Member).
- 8.4 Every individual or organisation which wishes to become a Member shall deliver to the Company an application for membership in such form as the Board requires to be executed by it agreeing to be bound by these Articles. Upon being admitted to membership a Member shall be entered in the register of members of the Company.

### **9. Termination of Membership**

A Member shall cease to be a Member in the event of:



- 9.1 such Member giving written notice to the Company of its resignation to take effect on receipt by the Company of the notice of resignation or if later the date stated in the notice;
- 9.2 such Member's death, being an individual or, if it is an organisation (subject to Article 8.3), it ceases to exist;
- 9.3 such Member's bankruptcy, making of any arrangement or composition with his creditors, or liquidation, or in the case of an organisation, winding up, liquidation, dissolution or administration or anything analogous to any of the foregoing occurring in relation to a Member in any jurisdiction; or
- 9.4 the Member is removed from membership by a resolution of the Directors that it is in the best interests of the Company that the membership is terminated.

## **10. Corporate Members**

- 10.1 Any Member that is an organisation may nominate a single individual to act as its representative at any general meeting of the Company.
- 10.2 The Member must give written notice to the Company of the name of its Member Representative. The Member Representative shall not be entitled to represent the Member at any meeting which the Member is entitled to attend unless the notice has been received by the Company at least one business day prior to the relevant meeting.
- 10.3 The Member Representative may continue to represent the Member until written notice to the contrary is received from the Member by the Company or the Member ceases to be a Member and a Member that is an organisation may change the identity of its Member Representative at any time by giving notice to the Company in accordance with this Article 10.
- 10.4 Any notice given to the Company will be conclusive evidence that the Member Representative is entitled to represent the Member or that his or her authority has been revoked. The Company shall not be required to consider whether the Member Representative has been properly appointed by the Member.

## **DECISION MAKING BY MEMBERS**

### **11. General Meetings**

- 11.1 The Company shall in each year hold a general meeting as its annual general meeting, and shall specify the meeting as such in the notice calling it. All general meetings shall be held at such time and place as the Board shall determine.
- 11.2 In the event that the Board do not call an annual general meeting pursuant to Article 11.1 within 15 months of the last annual general meeting the Members may call such annual general meeting to be held at such time and place as the Members shall determine.
- 11.3 Each notice calling an annual general meeting shall specify the meeting as such and each annual general meeting shall take place at such time and place as the Directors shall think fit.
- 11.4 The Board may call general meetings in addition to the annual general meeting. Upon the request of at least 25% of the Members the Board will call a general meeting in the terms of such request and Article 12.

### **12. Notice of general meetings**

- 12.1 Subject to the provisions of the 2006 Act, all general meetings shall be called by at least 14 Clear Days' notice but may be called by shorter notice if it is so agreed in

accordance with section 307(4) of the 2006 Act. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

- 12.2 Notice of general meetings shall be given to all Members and where relevant the Member Representatives.
- 12.3 The accidental omission to give notice of a general meeting to, or the non-receipt of notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that general meeting.
- 12.4 Every notice convening a general meeting shall be given in Hard Copy Form, Electronic Form or by means of a website and shall comply with the provisions of section 325(1) of the 2006 Act as to giving information to Members in regard to their right to appoint proxies.

### **13. Proceedings at general meetings**

- 13.1 Subject to Article 13.2, no business shall be transacted at any general meeting unless a quorum is present. A quorum shall be constituted by 5 Members with at least one Private Sector Member and one Non Private Sector Member, in each case present in person or by proxy or by Member Representative.
- 13.2 If a quorum is not present within half an hour from the time appointed for a general meeting, the general meeting shall stand 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 Directors may determine, and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed the Members present in person or by proxy or by Member Representative entitled to vote upon the business to be transacted shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the general meeting from which the adjournment took place.
- 13.3 The Chair (or a Deputy Chair in the absence of the Chair) shall preside as chair at every general meeting of the Company, or if there is no such Chair or a Deputy Chair, or if neither shall be present within 15 minutes after the time appointed for the holding of the general meeting, the Members present (in person, by proxy or by Member Representative) shall elect one of their number to be chair of the general meeting.
- 13.4 The Chair (or a Deputy Chair in the absence of the Chair) may, with the consent of any general meeting at which a quorum is present (and shall if so directed by the general meeting), adjourn the general meeting from time to time and from place to place, but no business shall be transacted at any adjourned general meeting other than the business which might properly have been transacted at the general meeting had the adjournment not taken place.

### **14. Voting at general meeting**

- 14.1 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 the Articles.
- 14.2 Unless a poll is duly demanded, a declaration by the chair of the general meeting that a resolution has been carried or carried unanimously, or by a particular majority, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall, save in the case of manifest error, be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 14.3 In the event of an equality of votes the chair of the meeting shall have a casting vote.

- 14.4 On a show of hands or on a poll, every Member, whether an individual or an organisation, shall have one vote.
- 14.5 A poll on a resolution may be demanded:
- 14.5.1 in advance of the general meeting where it is to be put to the vote, or
  - 14.5.2 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.
- 14.6 A poll may be demanded by:
- 14.6.1 the Chair of the general meeting;
  - 14.6.2 the Directors;
  - 14.6.3 two or more persons having the right to vote on the resolution;
  - 14.6.4 a person or persons representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.
- 14.7 A demand for a poll may be withdrawn if:
- 14.7.1 the poll has not yet been taken, and
  - 14.7.2 the chair of the general meeting consents to the withdrawal.
- A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.
- 14.8 A poll demanded on the election of a Chair or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the Chair directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 14.9 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.
- 14.10 The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

## **15. Written resolutions**

- 15.1 Subject to Article 15.2, a written resolution shall be valid and take effect as if it had been passed at a general meeting of the Members duly convened and held where:
- 15.1.1 it has been executed by or on behalf of the requisite percentage of Members, and
  - 15.1.2 those who have executed such written resolution must include at least one Private Sector Member and one Non Private Sector Member.
- 15.2 Any such resolution shall be circulated to all the Members (and copied to the Member Representatives) in writing or by Electronic Form and shall be accompanied by a statement informing the Members how to signify their agreement to such resolution. A written resolution may consist of several instruments in materially the same form each executed by or on behalf of one or more Members.



- 15.3 A written resolution, proposed in accordance with section 288(3) of the 2006 Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date. For the purposes of this Article 15, "circulation date" is the day on which copies of the written resolution are sent or submitted to Members, or, if copies are sent or submitted on different days, the first of those days.
- 15.4 Subject to article 15.1.2, a written resolution of the Members passed in accordance with this article 15 shall have effect as if passed by the Members in a general meeting. A written resolution is passed:
- 15.4.1 as an ordinary resolution if it is passed by a simple majority of the eligible Members; or
  - 15.4.2 as a special resolution if it is passed by Members representing not less than 75% of the eligible Members. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.
- 15.5 Where a resolution is proposed as a written resolution of the Company, the eligible Members are the Members who would have been entitled to vote on the resolution on the circulation date of the resolution.
- 15.6 Any resolution of the Members for which the Act does not specify whether it is to be passed as an ordinary resolution or as a special resolution shall be passed as an ordinary resolution.
- 15.7 A written resolution is passed when the required majority of eligible Members have signified their agreement to it. In the case of a Member that is an organisation, its Member Representative may signify its agreement.

## **16. Proxies**

- 16.1 A Member is entitled to appoint a person as a proxy to exercise all or any of the Member's rights to attend and to speak and vote at a meeting of the Company.
- 16.2 Proxies may only be validly appointed by a notice in writing (a **proxy notice**) which:
- 16.2.1 states the name and address of the Member appointing the proxy;
  - 16.2.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
  - 16.2.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 16.2.4 is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or any adjourned meeting) to which they relate.
- A proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion, accept the notice at any time before the meeting.
- 16.3 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 16.4 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.
- 16.5 Unless a proxy notice indicates otherwise, it must be treated as:
- 16.5.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

16.5.2 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.

- 16.6 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.
- 16.7 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.
- 16.8 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.
- 16.9 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.

## **17. Annual general meetings held in public**

- 17.1 Subject to Articles 17.2 and 17.3 annual general meetings of the Company shall be held in public.
- 17.2 The public shall be excluded from the meeting during an item of business whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during that item, Confidential Information would be disclosed to them in breach of the obligation of confidence.
- 17.3 The public may be excluded from the meeting by ordinary resolution of the meeting during an item of business whenever it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during that item, there would be disclosure to them of Exempt Information.

## **DIRECTORS**

### **18. Number of Directors**

- 18.1 Subject to Article 18.2, the number of Directors shall be not less than 16 but no more than 20 and shall include as follows:
- 18.1.1 up to four Upper Tier Council Directors appointed in accordance with Article 20.5;
- 18.1.2 up to one District Council Director appointed in accordance with Article 20.6;
- 18.1.3 up to one Public Sector Director appointed in accordance with Article 20.7; and
- 18.1.4 the balance shall be made up of Private Sector Directors appointed in accordance with Article 20.4 being prominent businessmen and businesswomen from across the GLLEP Region and representing or possessing as far as reasonably practicable:
- (a) the important industry sectors across the GLLEP Region;
  - (b) different sizes of business;
  - (c) for profit and not for profit businesses; and
  - (d) links at a major level into business representative groups.
- 18.2 In addition to the Directors appointed in under Article 18.1, there may be appointed at any time up to five Co-Opted Directors, appointed in accordance with Article 20.8.

18.3 The Directors shall appoint a Private Sector Director as the Small and Medium Enterprise Champion. From time to time the Directors may decide to remove such person as the Small and Medium Enterprise Champion and to appoint a replacement to that role.

18.4 The Directors shall appoint a Private Sector Director as the as the Diversity Champion. From time to time the Directors may decide to remove such person and to appoint a replacement as the Diversity Champion and to appoint a replacement.

## **19. Powers of Directors**

19.1 Subject to the provisions of the Statutes and these Articles and to any directions given by ordinary resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company for that purpose.

19.2 No alteration of these Articles or special resolution shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given.

19.3 The powers given by this Article 19 shall not be limited by any special power given to the Board by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Board.

## **20. Appointment of Directors**

20.1 Any person who is willing to act as a Director, and who is permitted by law to do so, may be appointed to be a Director by:

20.1.1 ordinary resolution; or

20.1.2 by resolution of the Directors.

20.2 Where a maximum number of Directors has been fixed, the appointment of a Director must not cause that number to be exceeded.

20.3 A Director must be a natural person.

20.4 Private Sector Directors shall be appointed by the Directors. Each such Private Sector Director shall, subject to Article 22 hold office for a fixed term of three years which can be extended for a maximum of two further three year terms by the Directors.

20.5 Each Upper Tier Council may from time to time by notice in writing appoint one person each to be a Director. Each such Director appointed shall hold office from the date of appointment and may at any time be removed from office by notice in writing by the relevant Upper Tier Local Authority. In the event that such Director is removed from office in accordance with Article 22, the relevant Upper Tier Council may not re-appoint under this Article 20.5 the Director so removed.

20.6 The District Council Director shall be appointed by the District Councils through the Lincolnshire Leaders Group. Each such Director appointed shall hold office from the date of appointment and may at any time be removed from office by notice in writing by the District Councils through the Lincolnshire Leaders Group but otherwise such appointment shall, subject to Article 22, be for a fixed term of three years which can be extended for a maximum of two further three year terms by notice in writing from the District Councils through the Lincolnshire Leaders Group approved by the Directors. In the event that such Director is removed from office in accordance with Article 22, the District Councils through the Lincolnshire Leaders Group may not re-appoint under this Article 20.6 the Director so removed

20.7 The Public Sector Directors shall be appointed by the Directors on the basis of nominations (determined as they shall see fit) from the Public Sector Bodies. Such Public Sector Director shall hold office and may at any time be removed from office by



notice in writing by a majority of the Public Sector Bodies but otherwise such appointment shall, subject to Article 22, be for a fixed term of three years which can be extended for a maximum of two further three year terms by notice in writing from the Public Sector Bodies approved by the Directors.

- 20.8 The Directors may from time to time appoint up to five Co-opted Directors. Such Co-opted Director shall hold office and may at any time be removed from office by a resolution of the Directors but otherwise such appointment shall be for a fixed term of one year.

## **21. Chair and Deputy Chairs**

- 21.1 The Directors shall appoint an experienced business person who is a Private Sector Director, to be the Chair. Such appointment shall, unless such Director ceases to be a Director, be for a fixed term of three years which can be extended for a maximum of two further three year terms by notice in writing from the Directors.
- 21.2 The Directors shall appoint one Private Sector Director and one Non Private Sector Director each to be Deputy Chairs. Each such appointment shall, unless such Director ceases to be a director, be for a fixed term of three years which can be extended for a maximum of two further three year terms by notice in writing from the Directors.
- 21.3 If at any meeting of the Directors the Chair is not participating in the meeting then the Private Sector Director appointed as Deputy Chair shall chair the meeting and if they are not participating in the meeting the Non Private Sector Director appointed as Deputy Chair shall chair the meeting.
- 21.4 If at any meeting of the Directors neither the Chair nor a Deputy Chair is participating in the meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair the meeting.
- 21.5 In case of an equality of votes, the chair shall have a second or casting vote.

## **22. Disqualification and removal of Directors**

- 22.1 The office of a Director shall be vacated if:
- 22.1.1 he ceases to be a director by virtue of any provision of the Statutes or these Articles or he becomes prohibited by law from being a director; or
  - 22.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - 22.1.3 he is, or may be, suffering from mental disorder and either:
    - (a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
    - (b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
  - 22.1.4 such Director resigns his office by written notice to the Company; or
  - 22.1.5 such Director shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors or Members resolve that his office be vacated; or
  - 22.1.6 the Members determine by ordinary resolution that such Director shall be removed from office;

- 22.1.7 in the case of a Director appointed for a fixed term, the end of that fixed term.
- 22.1.8 are removed from office by a resolution of the Directors in circumstances where the Directors consider that the Director has breached the Director Code of Conduct. Such a resolution must not be passed unless:
- (a) the Director has been given at least 14 Clear Days' notice in writing of the meeting of the Directors at which the resolution will be proposed and the reasons why it will be proposed; and
  - (b) the Director has been given a reasonable opportunity to make representations to the meeting either in person or in writing. The other Directors must consider any representations made by the Director (or the Director's representative) and inform the Director of their decision following such consideration. There shall be no right of appeal from a decision of the Directors to terminate the directorship of a Director.

### **23. Proceedings of Directors**

- 23.1 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit.
- 23.2 Acts done by a meeting of the Directors or of a committee or Strategic Advisory Board or by a person acting as a Director shall not be invalidated by the subsequent realisation that:
- 23.2.1 the appointment of any such Director or person acting as a Director was defective; or
  - 23.2.2 any or all of them were disqualified; or
  - 23.2.3 any or all of them were not entitled to vote on the matter.
- 23.3 Any Director may call a meeting of the Directors by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice.
- 23.4 Meetings of the Board thereof shall be called by not less than seven business days' notice served on the Directors. Any such notice must include an agenda of the matters to be discussed at any such meeting and, save in respect of items raised under "any other business" with the approval of the Directors present, no matter may be discussed or voted on which is not included in any such agenda. A Director who is absent from the United Kingdom shall not be entitled to notice of a meeting.

### **24. Quorum of Director's meetings**

- 24.1 Subject to these Articles, no business shall be transacted at any Board meeting unless a quorum is present. A quorum shall be 3 Directors present in person including at least one Private Sector Director and one Non Private Sector Director.
- 24.2 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 24.3 If the total number of Directors for the time being is less than the quorum required for decision-making by the Directors, the Directors shall not take any decision other than a decision to:
- 24.3.1 appoint further Directors; or
  - 24.3.2 call a general meeting so as to enable the members to appoint further Directors.
- 24.4 If a quorum is not present within half an hour from the time appointed for a Board meeting the Board meeting shall stand 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 Directors may determine, and if at the adjourned Board meeting a quorum is not present within half an hour from the time appointed the Director or Directors present in person shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

**25. Participation in Director's meetings**

Any Director may participate in a meeting of the Directors by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can communicate with each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Statutes, he shall be entitled to vote and be counted in a quorum accordingly. 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 is.

**26. Third party attendance at Directors meetings**

Where the Board considers such attendance worthwhile or necessary to the matters to be transacted at the relevant meeting of the Board, it shall be entitled to invite relevant third parties to attend any meeting of the Board as observers providing that such third parties agree to be bound by the Observer Code of Conduct and shall be entitled to speak at meeting of the Board with the prior permission of the Chair but shall not be entitled to vote.

**27. Alternate Directors and substitutes**

A Director may not appoint an alternate director or anyone to act on their behalf at meetings of the Directors. In the event that an Upper Tier Council Director or the District Council Director is unable to attend a meeting of Directors the relevant Upper Tier Council or the Lincolnshire Leaders Group shall be entitled to appoint a Substitute to attend such meeting subject to such Upper Tier Council or the Lincolnshire Leaders Group providing written notice to the Company of such Substitute at least one business day prior to the relevant meeting and subject to such Substitute agreeing to comply with the Observer Code of Conduct. Any such properly appointed Substitute shall be entitled, with the permission of the chair, to speak at the meeting but shall not be entitled to vote.

**28. Decision making by Directors**

- 28.1 The general rule about decision-making by Directors is that any decision of the Directors must be a majority decision at a meeting or a decision taken in accordance with Article 29.
- 28.2 Each Director has one vote on each matter to be decided, except for the chair of the meeting who, in the event of an equality of votes, shall have a second or casting vote (unless, in accordance with the Articles, the chair of the meeting is not to be counted as participating in the decision-making process for quorum or voting purposes).

## **29. Written resolution of Directors**

A resolution in writing, sent to all Directors entitled to receive notice of a meeting of Directors and signed by a majority of the Directors shall be valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several documents in materially the same form each signed by one or more Directors.

## **30. Delegation by Directors**

- 30.1 The Directors may delegate, on such terms of reference as they think fit, any of their powers or functions to any committee or Strategic Advisory Board.
- 30.2 The Directors may delegate the implementation of their decisions or day-to-day management of the affairs of the Company to any person, committee or Strategic Advisory Board.
- 30.3 The terms of reference of a committee or Strategic Advisory Board may include conditions imposed by the Directors, including that:
  - 30.3.1 the relevant powers are to be exercised exclusively by the committee or Strategic Advisory Board to whom the Directors delegate; and
  - 30.3.2 no expenditure or liability may be incurred on behalf of the Company except where approved by the Directors or in accordance with a budget previously agreed by the Directors.
- 30.4 Persons who are not Directors may be appointed as members of a committee or Strategic Advisory Board, subject to the approval of the Directors.
- 30.5 Every committee or Strategic Advisory Board shall act in accordance with the terms of reference on which powers or functions are delegated to it and, subject to that, committees and Strategic Advisory Boards shall follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.
- 30.6 The terms of any delegation to a committee or Strategic Advisory Board shall be recorded in the minute book.
- 30.7 The Directors may revoke or alter a delegation.
- 30.8 All acts and proceedings of any committee or Strategic Advisory Board shall be fully and promptly reported to the Directors.

## **31 Interests and conflict of interests**

- 31.1 The following provisions of this Article 31 shall apply to Members and Member Representatives in general meetings as well as Directors in board meetings.
- 31.2 In the event that a Director, Member or Member Representative has a Disclosable Pecuniary Interest in any matter to be decided at meeting of the Directors or Members that person shall immediately declare the nature of the Disclosable Pecuniary Interest and withdraw from any meeting where the Disclosable Pecuniary Interest would be relevant.
- 31.3 Without prejudice to the provisions of Article 31.2 and subject to the provisions of the Statutes, a person notwithstanding his office:
  - 31.3.1 may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
  - 31.3.2 may be a director or member or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body

corporate promoted by the Company or in which the Company is in any way interested;

31.3.3 may or any firm or company of which he is a member or director may act in a professional capacity for the Company or any body corporate in which the Company is in any way interested; and

31.3.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

31.4 Neither the Members nor the Directors shall be empowered to approve, authorise or grant any kind of dispensation in respect of any non-compliance with Article 31.2.

31.5 Without prejudice to the provisions of Article 31.2. whenever a person has an interest in a matter to be discussed at a meeting the person so conflicted shall immediately declare the nature of the conflict or potential conflict and withdraw from any meeting where the conflict would be relevant unless the following procedures are followed and the necessary authority obtained.

31.6 For the avoidance of doubt in the event that a Member is conflicted then any Member Representative of such Member is also conflicted.

31.7 Save for any circumstance covered by clause 31.2, the Directors or Members may, at any time authorise a person to be involved in a situation in which the person has or may have a conflict of interest provided that:

31.7.1 in the case of a proposed appointment of a person as a Director, Member or Member Representative, the Directors authorise the conflict of interest before or at the time the person is appointed;

31.7.2 in the case of any person who is a Director or Member or Member Representative, the Directors or Members authorise the conflict of interest at the time the conflict is declared to them;

31.7.3 the person subject to the conflict of interest or any other interested Director or Member or Member Representative shall not vote and shall not be counted in the quorum in respect of the decision to give authorisation under this Article 31.7 and if he or any other interested Director or Member or Member Representative does vote, those votes shall not be counted;

31.7.4 the Directors or Members may in their absolute discretion impose such terms or conditions on the grant of the authorisation as they think fit;

31.7.5 a Director will not be in breach of his duty under sections 172, 174 and 175 of the 2006 Act or the authorisation given by this Article 31.7 by reason only that he received confidential information from a third party relating to the conflict of interest which has been authorised by this Article 31.7 and either fails to disclose it to the Directors or fails to use it in relation to the Company's affairs and neither will be in breach of his duty under section 175 of the Act for anything done or omitted to be done by him in accordance with the provisions of this Article 31 ; and

31.7.6 where approval to a transaction which falls within Chapter 4 of part 10 of the 2006 Act is given by Members in accordance with that Chapter further authorisation for that transaction by the Directors under this Article 31.7 is not necessary.



- 31.8 Any authorisation of a conflict under this Article 31 may (whether at the time of giving the authorisation or subsequently):
- 31.8.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
  - 31.8.2 be subject to such term and for such duration, or impose such limits or conditions, as the Directors or Members may determine; and
  - 31.8.3 be terminated or varied by the Directors or Members at any time; and this will not affect anything done by the Director or Member or Member Representative prior to such termination or variation in accordance with the terms of the authorisation.
- 31.9 Where the Directors or Members authorise a conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the person:
- 31.9.1 is excluded from discussions related to the conflict;
  - 31.9.2 is not given any documents or other information relating to the conflict; and
  - 31.9.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting in relation to any resolution relating to the conflict.
- 31.10 Where the Directors or Members authorise a conflict the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the 2006 Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors or Members impose in respect of its authorisation.
- 31.11 For the purposes of Article 31:
- 31.11.1 a general notice to the Directors, Members or Members Representatives (as appropriate) that a person is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director, Member or Member Representative has an interest in any such transaction of the nature and extent so specified;
  - 31.11.2 an interest of which a person has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
  - 31.11.3 an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force when the Company was incorporated) connected with a Director or Member or Member Representative shall be treated as an interest of the Director or Member or Member Representative.

## **32. Secretary**

The Directors may appoint any person who is willing to act as the secretary for such term at such remuneration and on such conditions as the Directors think fit. From time to time the Directors may decide to remove such person and to appoint a replacement.

## **ADMINISTRATIVE ARRANGEMENTS**

### **33. Minutes**

- 33.1 The Directors shall cause minutes to be made in books kept for the purposes of:
- 33.1.1 recording the names and addresses of all the Members and Member Representative;

33.1.2 all appointments made by the Directors; and

33.1.3 all proceedings at general meetings of the Company and of the Directors including the names of Directors and Members or Member Representatives present at each such meeting.

33.2 The complete minutes of the meetings shall be made available to the public on the Company website, unless such minutes would disclose confidential or exempt information, in which case the minutes made available on the Company website shall be redacted versions.

#### **34. Rules**

34.1 The Directors may from time to time establish such rules as they may consider necessary for or conducive to the effective operation of the Company. In particular, but without prejudice to the generality of the above, such rules may regulate:

34.1.1 the admission of Members of the Company and other conditions of membership;

34.1.2 the procedure at general meetings and meetings of the Directors and committees and meetings of a Strategic Advisory Board to the extent that such procedure is not regulated by the Act or by the Articles.

34.2 The Company may in general meeting may alter, add to or repeal the rules by special resolution.

#### **35. Communications**

35.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.

35.2 The Company may give notice to a Member either personally or by sending it by first class post in a pre-paid envelope addressed to the Member at his registered address or by leaving it at that address or by giving it in Electronic Form to an address for the time being notified to the Company by the Member, Where a Member has appointed a Member Representative in accordance with these Articles, the notice shall be marked for the attention of the Member Representative. A Member who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent in electronic form, shall be entitled to have notices given to him or her at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.

35.3 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted. Where a notice is sent in Electronic Form, the notice shall be deemed to have been given at the expiration of 24 hours after the time of transmission.

35.4 Where a notice is sent by making it available on a website, the notice shall be deemed to have been given either when it was first made available on the website or when the Member received or was deemed to have received notice of the fact that the notice was available on the website.

35.5 A Member present, either in person, by proxy or by Member Representative, at any meeting of the Company shall be deemed to have received notice of that meeting and, where requisite, of the purposes for which it was called.

35.6 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by



notices sent through the post, a general meeting may be convened by giving notice by e-mail or facsimile (to such address or facsimile number as shall be notified by each Member to the Company from time to time) or by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all Members entitled to receive notice at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

- 35.7 Where the Statutes permit the Company to send documents or notices to its Members in Electronic Form or by means of a website such documents and notices will be validly sent provided the Company complies with the requirements of the Statutes. Subject to any requirements of the Statutes, documents and notices may be sent to the Company in Electronic Form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

### **36 Irregularities**

The proceedings of any meeting or the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including by accidental omission to give or any non-receipt of notice) or want of qualification in any of the persons present or voting or by reason of any business being considered which is not specified in the notice.

### **37 Indemnity**

- 37.1 Subject to the provisions of, and so far as may be permitted by, the Statutes but without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every Director, alternate director, secretary or other officer of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director, alternate director, secretary or other officer of the Company.
- 37.2 The Directors may buy and maintain at the cost of the Company insurance cover for or for the benefit of every Director, auditor, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a Director, alternate director, auditor, secretary or other officer of the Company or associated company.
- 37.3 Subject to the provisions of, and so far as may be permitted by, the Statutes, the Company shall be entitled to fund the expenditure of every Director or other officer of the Company incurred or to be incurred:
- 37.3.1 in defending any criminal or civil proceedings; or
- 37.3.2 in connection with any application under sections 661(3), 661(4) or 1157 of the 2006 Act.