

Declarations of Interest

Any Member attending the meeting is reminded of the requirement to declare if he/she has a personal interest in any item of business, as defined in the Code of Conduct. If that interest is a prejudicial interest as defined in the Code the Member should also withdraw from the meeting.

SUPPLEMENTARY AGENDA NO 1

(Pages)

8. Healthy Communities

To note the minutes of the meeting of the PAG held on 13 June 2017 and consider the Portfolio Holder's recommendations on the following: **(5 - 12)**

(h) Replacement of Theatre Floor at Beacon Centre

Appendix 1 **(13 - 14)**

Appendix 2 **(15 - 18)**

Appendix 3 **(19 - 22)**

Appendix 4 **(23 - 26)**

Appendix 5 **(27 - 28)**

9. Environment

To note the minutes of the meeting of the PAG held on 19 June 2017. **(29 - 32)**
There are no Portfolio Holder recommendations to consider.

(a) Establishment of Property Development and Management Company

Appendix B **(33 - 68)**

The next meeting is due to take place on Wednesday, 25 October 2017

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HEALTHY COMMUNITIES POLICY ADVISORY GROUP (SBDC)

Meeting - 13 June 2017

Present: Mr Kelly (Chairman)
Mr Anthony, Mr Bastiman, Dr Matthews and Mr Walters MBE

Apologies for absence: Mr Pepler

1. MINUTES

The minutes of the meeting held on 23 February 2017 were confirmed.

2. DECLARATION OF INTERESTS

Councillor Walters expressed a personal interest in his capacity as a trustee of Padstones mindful that they were referred to in items 9, 11, 12 and 13 of the agenda.

3. REPORTS FROM MEMBERS

No reports were presented by members.

4. HEALTHY COMMUNITIES UPDATE REPORT

The PAG received and noted a report providing an update on a number of subjects including:

- Bucks Home Choice -number of applicants registered, availability and number advertised
- Homelessness and the number of applications determined
- Private Sector Housing and DFGs
- Affordable Housing and details of two new affordable housing schemes in Taplow
- Housing Related Support
- Licensing
- EH – Public Protection
- EH Environment and Sustainability
- Community Safety
- Community and Leisure.

In response to requests the Head of Healthy Communities undertook to:

- Approach Thames Valley Police to see if they could provide backdated crime figures so that some comparisons could be made with current trends.
- see if arrangements could be made for the Dementia Bus to be located at the Beacon Centre in Beaconsfield for a period of time.

5. **HOME ENERGY CONSERVATION ACT PROGRESS REPORT**

The PAG received a report inviting it to comment on the draft Home Energy Conservation Act Progress Report which the Council is legally required to publish.

The report summarised the progress made since 2013 to improve energy efficiency, updated the Council's policy and approach to energy efficiency and set out actions and priorities for the next two years.

The report pledges that the Councils will work with partners to promote locally and nationally available financial incentives and advice services to improve energy efficiency and tackle fuel poverty.

After noting the key delivery outcomes it was

RESOLVED

That the draft Home Energy Conservation Act Progress Report 2017 be approved for publication.

6. **SUMMER YOUTH DIVERSIONARY PROGRAMME**

The PAG's advice was sought on whether the Portfolio Holder should agree to provide financial support to voluntary organisations to deliver summer holiday activities.

Although the voluntary youth sector delivered a range of summer activities a number of organisations often suspended sessions due to a lack of funding. Providing funding would reduce the risk of sessions being suspended and so maintain consistent level of support to younger residents; thus reducing the opportunity for them to engage in Anti Social Behaviour.

The PAG, whilst supporting the proposal, sought further information on costs and the hot spot areas that would be targeted.

Having considered the advice of the PAG, the Portfolio Holder **RESOLVED** that financial support be provided to voluntary youth sector organisations to deliver summer holiday activities.

7. **AIR QUALITY UPDATE AND POTENTIAL FOR CREATING A CLEAN AIR ZONE IN IVER**

The PAG received a report on air quality in Iver including provisional results to date of the local diffusion tube network and noted the intention to continue to monitor the nitrogen dioxide levels.

The report also explained how the use of a Clean Air Zone (CAZ) could assist the Council in tackling air pollution in the future.

The PAG was particularly concerned to note that the detailed assessment of air quality in Iver demonstrated that there is a likelihood that the nitrogen dioxide objective was being exceeded.

After also noting the minimum requirements that needed to be met to implement a CAZ the PAG advised the Portfolio Holder to proceed with the proposal following which it was

RESOLVED that

1. In the event of the annual mean being exceeded after a full year of data being captured (January 2018) approval be given to proceed to the declaration of Air Quality Management Area (AQMA).
2. Should an AQMA be declared approval also be given to proceed to create a voluntary "Clean Air Zone" in Iver, with an aim of reducing nitrogen dioxide (NO₂) levels and working with partner agencies to manage both local freight traffic and that associated with National Infrastructure Project with funding being met from the HS2 contingency fund

8. **FOOD AND HEALTH AND SAFETY BUSINESS PLANS**

The PAG received a report inviting it to comment on the following draft plans prior to them being submitted to Council via the Cabinet for adoption:

- Joint Food and Health and Safety Business Plan
- Food Policy
- Health and Safety Enforcement Policy

Following a discussion during which the PAG indicated its support for the draft plans, the Portfolio Holder **RECOMMENDED** to Cabinet that the Council be recommended to approve the following;

- Joint Food and Health and Safety Business Plan;
- Food Policy; and
- Health and Safety Enforcement Policy.

9. **JOINT HOUSING STRATEGY**

The PAG received a report inviting it to comment on a proposal to review the current Housing and Homelessness Strategies for Chiltern District Council and South Bucks District Council and update them in the light of the current housing situation across the two districts and the new statutory requirements that were coming into force.

Since the joint Member Housing Workshop on 3rd February 2016 which had focussed on three key areas a draft Housing (Affordable Housing and Homelessness) Strategy had been developed and was attached as an appendix to the report which explained the intention to subject the draft to consultation over a 6 week period.

In welcoming the joint strategy the PAG emphasised the importance of increasing affordable housing as this would help both Councils to deal with their statutory duties for homelessness more effectively.

Following the discussion, the Portfolio **RECOMMENDED** to Cabinet that the Head of Healthy Communities be requested to prepare a Joint Housing Strategy (Affordable Housing and Homelessness) for consultation

10. **CORPORATE ENFORCEMENT POLICY**

The Regulators' Code, which came into statutory effect on 6 April 2014, requires the Council to have an enforcement policy explaining how it responds to regulatory non-compliance. With the majority of services now being shared across both Chiltern and South Bucks District Councils the PAG received a report explaining that the opportunity had been taken to review the enforcement policies and draft a joint Corporate Enforcement Policy setting out the guiding principles of how regulatory services will engage with those they regulate.

The Regulator's Code is based on 6 broad principles and the PAG noted what was expected of the regulator in each of the 6 cases. The PAG also noted how the local authority would respond to non-compliance, one of the key actions required to ensure compliance with the Code.

Following a discussion the Portfolio Holder **RECOMMENDED** to Cabinet that Council is recommended to approve the draft Corporate Enforcement Policy for regulatory compliance and enforcement services.

11. **BUCKINGHAMSHIRE AFFORDABLE WARMTH STRATEGY 2017-2022**

South Bucks District Council is a member of the Bucks-wide Affordable Warmth Network, a partnership of the four district councils, the county council and the National Energy Foundation, which aims to ensure that all residents of Buckinghamshire can heat their homes adequately and affordably.

In 2009, the partnership produced a county-wide Affordable Warmth Strategy, which identified the geographical areas and communities most at risk of fuel poverty, the range of help assistance available and set out an action plan to target the key causes of fuel poverty.

In view of the many changes that have been made since 2009 an exercise had been carried out to update the Strategy to provide a clear direction and focus to the Council and its partners in targeting actions towards those residents most at risk of fuel poverty.

The PAG received a report attaching a draft of the updated Strategy on which the National Energy Foundation is currently undertaking a 6 week consultation with key stakeholders.

During the discussion the PAG welcomed the Update which they agreed would contribute to the Council's objectives of working towards safe and healthies communities and striving to conserve the environment and sustainability.

Having considered the positive comments of the PAG, the Portfolio Holder **RECOMMENDED** to Cabinet that authority be delegated to the Head of Healthy Communities to adopt the final updated Buckinghamshire Affordable Warmth Strategy

12. REVIEW OF AFFORDABLE HOUSING PAYMENTS

In 2011 the Cabinet approved the following 4 schemes to deliver affordable housing units through the use of commuted sums:

- a) The **Acquisition** programme delivered by L&Q, to buy back ex-social housing
- b) The provision of **Your Choice Equity Loans** delivered by Catalyst Housing.
- c) **Downsizing** – The ‘incentive to move’ scheme of approved funding.
- d) **Incentive to Purchase** – ceased in July 2016 due to limited take-up.

The PAG received a report providing an update on the delivery of each scheme and expenditure as at 30 April 2017 from the commuted sums allocation. The PAG noted from a table in the report that of the £8, 877,438 received £3,650,778 remained uncommitted. The report went on to propose that the uncommitted sum be allocated to exploit the opportunities that arise in working in partnership with Registered Providers, other public bodies and or developer to deliver affordable rented properties on site or to purchase temporary accommodation to support homelessness service.

Having considered the advice of the PAG which supported the proposal the Portfolio Holder **RECOMMENDED** to Cabinet that

1. Approval be given to continue to operate the Acquisition, Equity Loan and Downsizing schemes within the current allocated funding levels.
2. The £3.6M available from the Affordable Housing Contributions (commuted sums) be allocated for opportunities that arise by working in partnership with Registered Providers, other public bodies and or developers to provide grant funding to deliver affordable rented properties on-site or to purchase temporary accommodation to support homelessness services.

13. FUNDING REQUEST FROM POP GOES THE CHOIR

The PAG received a report seeking its comments on an application from Pop Goes the Choir (PGTC) for funding of £2500 as a contribution towards the total cost of £5908 for staying at the St Denis De L’ Hotel whilst visiting France to perform at a Christmas market event as part of Burnham Parish Council’s a twinning celebrations.

The report explained that the Council of St Denis were contributing the equivalent of £1735 towards the hotel cost with PGCT contributing £2000.

During the discussion members of the PAG indicated that they could not support the application and suggested that the organisation applied to other bodies for funding e.g. the Parish Council and the European Commission which has a specific funding programme for Town Twinning.

Responding to comments made, the Portfolio Holder clarified that the organisation was not part of the Town Twinning Association which in turn was not part of Burnham Parish Council. The organisation was a separate body which had been invited by another separate body, the TTA, to take part in the celebratory event.

Following the meeting, having considered the advice of the PAG, the Portfolio Holder decided that it would be appropriate to recommend to Cabinet that an amount of £1000 rather than £2500 be provided to PGCT and that PGCT be advised to apply for other funding routes like Heart of Bucks and The Heathrow Community schemes/Lottery.

Following the meeting, having considered the advice of the PAG, the Portfolio Holder **RECOMMENDED** to Cabinet that Pop Goes the Choir be provided with an amount of £1000 and that Pop Goes the Choir be advised to apply for other funding routes like Heart of Bucks and The Heathrow Community schemes/Lottery.

14. PUBLIC SPACES PROTECTION ORDER

Public Spaces Protection Orders (PSPOs) are one of a number of new powers introduced by the Anti-Social Behaviour, Crime and Policing Act 2014. The PAG received a report containing a proposal to introduce PSPO for South Bucks.

Using the new PSPO powers to replace current powers for dog fouling would enable standardised fines of £100 to be introduced and make it easier to understand as they would apply across the whole district. At present the offence of dog fouling is restricted to certain areas and controls are not in place to address other antisocial issues relating to responsible dog ownership. A PSPO would allow new dog control measures e.g. failing to put a dog on a lead when directed to do so by an authorised officer and allowing a dog into enclosed children's playgrounds or sports fields.

Responding to comments made, the Head of Healthy Communities explained that the issue of how the offences would be enforced would be the subject of a separate report and agreed that community involvement and use of powers under the Community Accreditation Schemes enabling other bodies to issue FPN would feature very prominently in the enforcement measures.

Having noted the costs of setting up a PSPO of an estimated £3K and considered the benefits the PAG indicated its support for the proposal

Having considered the advice of the PAG the Portfolio Holder **RECOMMENDED** to Cabinet that

1. The current designated dog fouling areas be retained and further consultation be undertaken in relation to the introduction of Public Spaces Protection Order (PSPO).
2. Consultation be undertaken on the introduction of a district wide PSPO to include the following dog control measures across the whole district under which the following actions would mean an offence is committed:
 - a- If a person in charge of a dog fails to clean up its faeces.
 - b- To fail to put a dog on a lead when directed to do so by an authorised officer.
 - c- To allow a dog into enclosed children's playgrounds.
3. The proposed Fixed Penalty Notice (FPN) fine be agreed at £100.
4. Authority be delegated to the Head of Healthy Communities, in conjunction with the Head of Legal and Democratic Services, to publish appropriate PSPOs as a result of evidence being obtained and to make amendments to PSPOs as necessary.

15. **REPLACEMENT OF THEATRE FLOOR AT BEACON CENTRE**

The PAG received a report explaining why the existing floor at the Beacon Centre is in need of replacement as a result of the bleacher style seating causing point loading damage. Following advice given by the PAG at its meeting on 15 September 2016 the seating was removed in February at a cost of £4,670.

The quotes received to replace the floor ranged from £21,980 to £32,772 whilst the quotes for replacing the bleacher seating ranged from £30,556 to £53,793.

The Portfolio Holder, in putting the report into context, referred to the Open Spaces Joint Study which recommended the setting up of a Working Group to look at issues relating to the Beacon Centre including the floor. However, having visited the Centre and seen for himself the state of the floor and the risk it posed to users he had requested the report to this meeting of the PAG so that options could be identified, agreed and progressed as a matter of urgency.

During the discussion that ensued members, whilst supporting the proposal to replace the floor, felt that the opportunity should also be taken to install bleacher seating as this would increase the potential for the Centre to be used for theatre style events following a market exercise to raise the profile of the Centre and its facilities.

Members also felt that the hiring charges could be increased with the additional income being used by GLL to invest in the Centre by improving lighting, other equipment and the stage.

Having been advised that installing bleacher seating would impact on the type of flooring to be installed and on total costs the Head of Healthy Communities undertook to review the floor options and identify the costs which would need to be contained within the capital budget of £120k.

Having considered the advice of the PAG, the Portfolio Holder **RECOMMENDED** to Cabinet that

1. Bleacher seating on a Semi-Sprung Floor be installed enabling the Beacon Centre to be used for theatre style events and meetings.
2. Authority to agree the total costs of the installation be delegated to the Head of Healthy Communities in consultation with the Portfolio Holder for Healthy Communities.
3. The hire charges for Theatre events be increased to enable reinvestment in to lighting and other equipment needs by GLL.
4. A marketing exercise be carried out to raise the profile of the Centre and encourage wider community use of the theatre/events space.

The meeting terminated at 8.00 pm

Appendix 1: Beacon floor options and quotations:

	Sprung Floors		Pulastic Floor
Organisation	A	B	C
Total	£27,730.00	£21,980.00	£32,772.00
Costing Evaluation:	Good price for product but has competitors with a similar product a lot cheaper. Current floor in place.	Very good price for a product similar in style to Granwood.	This is an expensive option, however it is a very good product.
Reputation / Examples	Formerly the market leader in this field but has a lot of good competitors offering similar products	One of the current market leaders - Currently used by GLL across the estate. Company expertise has been squash courts along with sports halls.	A good company - Used by GLL within the region. Better known for its maintenance services. Have more recently gained a footing into hall flooring
Other works:	Photos and areas of work can be viewed at	Photos and areas of work can be viewed at	Photos and areas of work can be viewed at
Installation / shut down time:	Supplier of existing floor. 2-3 week to install option. Options available for surface coating to be a higher grade. 3 days drying time needed	5 days to complete works with 24 hours of drying time	2 weeks to complete work. 72 hour setting/drying time
Compatibility with bleacher seating	Not suitable for bleacher seating use	Not suitable for bleacher seating apart from when significant additional expenditure in installing additional reinforced areas to match the load bearing points of any bleacher seating. This would have significant implications in increased maintenance costs.	Suitable for bleacher seating as floor returns to its shape after impact or load bearing.

Advantages / Disadvantages	<ul style="list-style-type: none"> • Market leader in field • Repairs to floor have been difficult. • Long installation time, theatre will have to be closed for minimum of 3 weeks. • Not suitable for bleacher seating 	<ul style="list-style-type: none"> • Short installation period - 1 week, less obstruction to other users of theatre • Currently used by GLL in other centres • • Cannot be used with bleacher seating unless certain areas are reinforced. 	<ul style="list-style-type: none"> • Can be used with bleacher seating • Expensive product • Longer installation and shut down time – 2.5 weeks.
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Appendix 2: Beacon Tired Seating Options and Quotes:

Organisation	D	E	F	G
Option 1 with seating for 208	£53,793.00	£44,320.00	£52,772.00	£39,236.00
Option 2 with seating for 162/172	£38,653.00	£31,973.52	£35,566.00	£30,556.00
Description of product to be supplied:	<p>Option 1 - Fixed, Power Operated Telescopic Platform System with Sports Seat benches for 208 people.</p> <p>Option 2 - Fixed, Power Operated Telescopic Platform System with Sports Seat benches for 162 people.</p>	<p>Option 1 - Wall/Floor attached retractable unit with upholstered bench to seat 208.</p> <p>Option 2 – Wall and floor fixed retractable upholstered bench to seat 172.</p>	<p>Option 1 - Wall/Floor attached retractable unit with bench to seat 208</p> <p>Option 2 - Wall/Floor attached retractable unit with bench to seat 182</p>	<p>Option 1 – Wall and floor fixed retractable upholstered bench to seat 208</p> <p>Option 2 – Wall and floor fixed retractable upholstered bench to seat 172.</p>
Costing Evaluation:	Top end price for very similar product to the others.	Good costing with an option of increasing quality of upholstery on product.	High cost - similar specification to the other quotes.	Budget price. Product doesn't appear to be as well finished as other options.

<p>Reputation / Examples</p>	<p>Current seating system is an Audience system. Company is aware centre needs and issues.</p> <p>A market leader Audience Systems won the Queen's award for Export in 1996</p>	<p>One of the UK's market leaders. Used by GLL over its full estate. Also has own design and maintenance sections</p> <p>Company manufacture its own product on site - All UK materials are used.</p>	<p>A family owned company based in the North East.</p> <p>Organisation F has partnered with another organisation to offer education, government and non-profit agencies a nationally leveraged, competitively bid contract</p>	<p>Mainly used for schools & colleges.</p>
<p>Compatibility with flooring types</p>	<p>Only suitable for solid floor or pulastic floors.</p> <p>Could be used on sprung floor provided floor is reinforced in areas of load bearing</p>	<p>Only suitable for solid floor or pulastic floors.</p> <p>Could be used on sprung floor provided floor is reinforced in areas of load bearing</p>	<p>Only suitable for solid floor or pulastic floors.</p> <p>Could be used on sprung floor provided floor is reinforced in areas of load bearing</p>	<p>Only suitable for solid floor or pulastic floors.</p> <p>Could be used on sprung floor provided floor is reinforced in areas of load bearing</p>
<p>Installation / shut down times.</p>	<p>Order period 6 weeks. 2 weeks to complete depending on when the work will take place (other commitments).</p>	<p>Completion rate and start time will be largely due to any pre planned work. 2 weeks to install fully.</p>	<p>2 weeks installation - 14 weeks to order seating .</p>	<p>10-12 week order time. 2 weeks for installation.</p>

<p>Advantages / Disadvantages:</p>	<p>Current seating is an audience system, company are aware of the centre. Short order time</p> <p>Expensive product. Option 2 will accommodate less people than other providers. Can only be used on a solid floor</p>	<p>Used by GLL across the estate.</p> <p>Harder to establish order time. Can only be used on solid floor.</p>	<p>Not the ideal choice as quite expensive and not as well know as its competitors. Long order time. Expensive product.</p>	<p>Lowest cost</p> <p>Not recommended due to low quality in comparison. Long order time</p>
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Appendix 3: Senior Building Survey Report:

Brief: Look at the quotations received for replacement flooring and retractable seating systems at the Beacon Sports Centre from a technical point of view and comment on the suitability of each proposal.

It is not uncommon for indoor multi-use sports halls to contain retractable 'bleacher' style seating so an installation combining sprung flooring and retractable seating can be easily achieved when designed as an installation as a whole.

Because the loadings exerted by retractable seating arrangements are fixed, to ensure a new floor will be compatible with a new retractable seating arrangement the seating system should be selected first.

Floor loading calculations, including loads transmitted whilst the arrangement is closed and stored, as it is extended and retracted, when it is opened fully and whilst it is loaded with people should be given to the flooring designer along with wheel plans and other relevant information that may affect the floor structure and finish, e.g. wheel/castor size, type and manufacture.

This will enable the flooring designer to design a floor that meets all known requirements.

Sprung floors in sports halls should comply with the relevant parts of BS EN 14904 Surfaces for Sports Areas – Indoor Surfaces for Multi-Sports Use- Specification and all seating arrangements and floors should come with at least a 10 year warranty covering materials and workmanship.

SEATING

The seating that best suits the end users' requirement should be chosen.

All of the retractable seating arrangements offered are 'fixed', that is to say wall mounted, rather than being a retractable system stored on trolleys elsewhere in the building and brought to the hall as and when needed.

All manufacturers have confirmed they can provide loading calculations etc and a 10 year warranty.

Organisation E say they have a unique reverse retracting system which reduces the quantity of wheels that become gathered together as the system closes, reducing wear (and potential loading) on the floor. (This might be the problem with the current arrangement as Organisation A specify that only certain wheel types are compatible with their flooring blocks and loads less than 300mm apart (i.e. a group of wheels) should be considered as a single load. However, I have not investigated this, it is only conjecture).

Some suppliers also give the option of purchasing running boards to protect floor surfaces. These represent a capital outlay, need storing and require labour to lay them before the seating is extended. This could be considered to be very time consuming if the seating was extended and retracted regularly over its 20+ year life span, less so if the seating is used only occasionally. Whether or not to use running boards should be decided at the outset as they may affect the fixing of the seating and the design of the floor.

I have not considered the design, style or specification of the seating with regard to size, materials, carpeting, drapes, rails, finishes etc.

FLOORING

H

Have recommended Dynamik London system with 2.5mm Sport Linoleum.

This is a sprung under carriage system to EN 14904 and comes with a 10 year warranty.

The floor finish is a 2.5mm Sport Linoleum, manufacturer unknown at this stage. This is a sheet material that may or may not be loose laid and the seams are hot welded. I cannot comment on the suitability of this flooring until the manufacturer of the material is established.

B

Have proposed a Junckers New Era underfloor batten system which is an EN 14909 rated system and can be designed to suit a variety of indoors sports activities.

The surface they have proposed is Junckers Sylvasport Premium Grade 22mm solid beech flooring with a polyurethane lacquer finish which is their mid range sports floor and also meets EN 14909.

Solid wood floors require sanding and resealing every 5 years, but can be sanded and resealed as many as 9 or 10 times over their life cycle.

B offer a 10 year warranty and Junckers are a highly regarded supplier of timber flooring.

C

Have proposed Pulastic Elite Classic 20 floor finish over an unspecified (or commercially non-branded) sprung undercarriage.

Pulastic floors are liquid-applied (and therefore seamless) polyurethane floors manufactured by Sika, a well known and highly regarded multi-national company specialising in liquid plastics and in-situ coatings amongst other things.

The Pulastic Classic 110 Eco sports floor complies with EN14904, but this is a thin (11mm) composite floor comprising a rubber shock pad with a 2mm polyurethane resin surface on top, all applied directly to the concrete floor.

The Elite Classic 20 proposed is the 2mm polyurethane finish only laid over a sprung undercarriage. I am awaiting confirmation as to whether this combination complies with EN 14904 and is suitable for use with retractable seating because it is the shock pad omitted from the sprung floor construction that is reinforced in the traditional system to take the loading of bleacher seating.

C have not offered a warranty within their paperwork and this, along with more detail about the proposal should be pursued before choosing this option.

A

A have proposed 2 options, Granfloor and Gransprung.

Granfloor consists of Granwood blocks laid on a concrete floor slab using a sand and cement fixing bed or thin set adhesive.

Granwood blocks are a composite flooring block comprising wood granules, fillers, pigments and linseed oil, hydraulically pressed and uniquely cured to form a stable, water, fire, abrasion and chemically resistant floor tile, guaranteed against warping, curling, buckling and splintering.

Granfloor is not a sprung floor and would not be suitable for use in a multi-use sports hall.

Granwood floors are hard wearing, durable and easy to clean and maintain. They can be sanded and sealed many times in their life cycle.

The technical literature for Granfloor does not mention its suitability for use with bleacher seating and further information should be sought before choosing this option.

Gransprung is Organisation A's sprung floor option and is the system currently installed at the Beacon Centre.

A Gransprung elastic flooring system comprises the traditional 10mm Granwood flooring tiles laid on resin bonded boards on 12mm thick resilient blocks and it meets the requirements of EN 14904 for certain activities.

Organisation A have recommended that the shock pad layer in the floor beneath any retracted seating should be replaced with a layer of plywood to provide a solid floor (at an extra cost).

Organisation A have not offered a warranty in their paperwork, or mentioned compatibility with retractable seating. And their technical literature restricts the type of movable loads and the type of wheels that are suitable for use with a Gransprung floor.

Compatibility with any movable loads and proposed seating arrangements etc should be confirmed as suitable before proceeding with this option.

Site Lines

Site lines of seating arrangements can only be calculated if the seats are fixed in relation to other seats adjacent to and in front of it. If tiered seating is not provided, but level seating in a fixed format can be supplied, it might be possible to ascertain what site lines might be like. For seating that comprises loose chairs casually set out in rows, it is not possible to ascertain site lines as the arrangements will be different on each and every occasion.

Report Two:

Brief: 1. Investigate and advise on the potential to repair the existing floor. 2. Investigate the options and potential costs of hiring mobile tiered seating.

1. FLOOR REPAIRS

It is possible to undertake localised repairs to Gransprung floors. However, the extent of the damage to the floor at the Beacon Centre means it is not cost effective to undertake repairs when compared to the cost of full replacement.

2. AUDITORIUM SEATING HIRE

There are a number of companies who hire out event and auditorium seating including Organisation D who supplied a quotation for fixed retractable seating.

One of the largest suppliers in the country is Arena Seating, part of the Arena Group and they supply permanent and temporary seating for events and venues of all sizes on a sale or rental basis.

The cost of hiring a tiered seating system of 200 individual tip-up seats in plastic, during the more popular months of June, July and December is in the region of £3,000 plus VAT for one week hire. This price includes installation/removal and floor protection and the system includes carpeted aisles, drapes to the sides and rear of the under-structure and numbered/lettered seats to match ticket manifest. The same with padded and upholstered seats would be £3,400 plus VAT.

This equates to £15 per seat per week (plastic) and whilst prices may vary slightly depending on length of hire and time of year, £12-15 per seat per week appears to be the going rate.

There would also be an additional cost for accidental damage, loss or destruction insurance which must be arranged through the supply company at a cost of approximately 5% of the contract value or through the hirers own insurers.

With regards to compatibility with sprung floors, Arena employ structural engineers who undertake design load calculations to guarantee the design of the floor protection is suitable and adequate for the floor on which the seating is installed. Sprung floors are therefore not a problem.

Conclusion:

To hire mobile seating units on an 'as-and-when needed' basis rather than install fixed retractable seating is a viable and cost effective option but a cost comparison should be undertaken to establish the point at which it becomes more cost effective to install fixed seating.

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Appendix 4: Customer feedback response (personal info removed)

Organisation	Through the Wardrobe Children's theatre company	Beaconsfield Theatre Group.
<i>GLL info on number of bookings in last year</i>	once per year, one day	twice a year for 1- 2 weeks
<i>What do you currently use the theatre for?</i>	Our annual show	Presenting plays
<i>How often do you use the theatre?</i>	once a year	Two or three weeks a year
<i>What audience numbers do you attract and what age groups?</i>	approx 160 per show / any age from 3 - 90yrs	Audiences are typically 500 per show, of all ages
<i>Do you use the bleacher theatre seating?</i>	Yes	YES!
<i>If no do you use alternative seating options?</i>		
<i>If the bleacher seating were to be removed how would this impact on your group?</i>	Massively! as we only book for the seating	It would be extremely serious for the Group and for our audiences. Our shows would probably become unviable both financially and dramatically, limiting the breadth of plays we can produce.
<i>Should the bleacher seats be removed would standard flat seats be a suitable alternative?</i>	No	No, definitely not. It would reduce the facility to a "village hall". Sight lines would be greatly limited giving audiences a restricted view. It would force us into hiring raked rostra (assuming floor repairs were carried out to a proper standard): our future would look bleak with the drain on our finances this would cause.

<i>What attracts you to the Beacon Centre?</i>	Location and seating	<p>The Beacon Theatre is unique in South Bucks. The facilities are unobtainable elsewhere in Beaconsfield:</p> <ul style="list-style-type: none"> • good stage • The ability to “fly” scenery • Space in the wings • Rooms for cast to prepare • Good separation of performers from audience • Storage space • Ample parking • Foyer provides space for audience circulation and an interval bar. • And above all: RAKED SEATING which is a huge attraction to our audiences, giving an unrestricted view of stage. <p>There is nowhere like this in the Chalfonts, Amersham, Gerrards Cross, Seer Green, or Hazlemere. Similar facilities in Chesham and High Wycombe are on a much larger scale and would not be affordable to groups such as ourselves.</p> <p>We are the BEACONSFIELD Theatre Group. Our storage/set construction barn, and our rehearsal rooms are both here. Our audiences are centred here: we have been established in the town for 65 years and have a loyal membership and following. We do not wish to move from the town, amalgamate with another Group or be forced to disband.</p>
<i>Have you considered alternative venues?</i>	Yes	<p>Yes. However, all have severe drawbacks in comparison to the Beacon Theatre. Schools halls are only available in holiday periods and have much restricted dramatic opportunities, limited audience parking and are subject to the overriding necessity to putting education first. The Curzon Centre is not available.</p>

<p><i>What improvements to the theatre would you like to see?</i></p>	<p>Updated technician box and a new light/sound system</p>	<ul style="list-style-type: none"> • Repair the floor. This needs to take the weight of a retractable raked seating system or, as a minimum, a removable raked rostra system on which chairs can be placed. • Replace the defective, retractable, raked seating system. • The new seating system need not be to the full 200 seat capacity of the existing. A simple, rectangular design with upholstered bench seating would be adequate and very much cheaper. • The size of the raked seating system should be reduced. By leaving the front area of the floor free, room would be available for 4 or 5 rows of loose chair “stalls”, These chairs could be removed and the space used by musicians, for musical theatre, or for innovative staging. • A reduced, adaptable seating design would save money and give greater flexibility for the Theatre to be used for musical and other forms of drama and entertainment. • Such flexibility would increase the attraction of the venue to other users. • The sound and lighting systems are in need of some modernisation, technology having moved on since the original equipment was installed. <p>However, we and other users bring in our own modern equipment: an upgrade is not a priority.</p> <ul style="list-style-type: none"> • ABOVE ALL: a simple raked seating system is, in our view, essential for the future of Drama in Beaconsfield
<p><i>Would you like to be involved in a face to face discussion about the centre and the improvements that could be made?</i></p>	<p>No</p>	<p>YES Please!</p>

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Appendix 5: Notes following meeting with Beaconsfield Theatre Group.

The Principal Leisure & Wellbeing Officer met Beaconsfield Theatre group (BTG) on 12th May who was keen to have the views of the Theatre group considered by Members before deciding how to progress with the theatre floor and seating. The challenge of meeting the Theatre Group's needs (retractable seating, flooring compatibility with exercise classes) ultimately will result in higher capital costs and the impact of losing income and customers from the reduction in exercise classes.

The key points he raised are detailed below

1. BTG fully appreciates the need for a sprung floor to be retained if the hall is to continue to be used as a sports and exercise venue. However, if the hall is to continue to be used for theatrical, entertainment and educational purposes, raked seating is viewed as being essential
2. The existing stage was designed for viewing by primary school children on small chairs. With flat adult seating, audience visibility is poor. As a permanent solution, either purpose made rostra, stored on the premises is required, or, preferably, the entire stage needs to be permanently raised by 1 foot.
3. The removal of the old seating has created an unacceptable echo which has been overcome by hanging drapes on the rear wall. A permanent acoustic solution therefore required.
4. The loose seating provided was viewed as being unfit and uncomfortable by audiences
5. BTG believe retractable seating is capable of being supported on Granwood Sprung floors. If possible as well as resulting in higher costs the key risk with this proposal is the conflict as to which organisation is responsible should the flooring system fail.
6. BTG have intimated that they would contribute towards a new raked seating system. However, this could compromise future operator decisions in relation to programming and Council decisions in relation to developing any new facility.

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ENVIRONMENT POLICY ADVISORY GROUP (SBDC)

Meeting - 19 June 2017

Present: Mrs Sullivan (Chairman)
Mr Read and Mr D Smith

Also Present: Mr Walters

Apologies for absence: Mr Bradford, Mr Harding and Miss Hazell

1. MINUTES

The minutes of the meeting of the PAG held on 6 December 2016 were received.

With regards to item 21 - waste containers – the Waste Services Manager provided clarity around the process of ensuring that charges are introduced to developers for new properties as soon as the Council is notified of them through the LRPG.

2. REPORTS FROM MEMBERS

None received.

3. CURRENT ISSUES

Presentation on Street Cleansing

The PAG received a presentation on Street Cleansing by the Council's Waste Services Manager.

The presentation covered the following

- The Waste & cleansing contract
- Street cleansing responsibilities
- The Biffa Crew deployment
- Background to the service covering road sweeping and litter picking
- The Code of Practice and grades of cleanliness
- The grading principles in both relevant highway and hard surface setting
- The grading principles in soft surface setting
- Response times
- The work of Barrowmen in zone 1
- Ancillary services
- Short term and long term options for the future

The PAG thanked the Waste Services Manager for the presentation and requested that the presentation be made available to all Members of the Council. The PAG also requested that a map of the zones be circulated to all Members. It was noted that it would be useful if the

presentation and zones map could also be made available to residents on the Council's website to aid their understanding of how the service works.

In the discussion which followed the presentation, the PAG raised some concerns regarding areas where there was an issue with littering and flytipping. PAG members were invited to meet with the Waste Services Manager following the meeting to look into these areas further. A suggestion was made to work in partnership with schools to help clean up areas around schools in the District.

RESOLVED that the presentation be noted and that a copy of the presentation and a map of the zones be circulated to all members.

4. **BEACONSFIELD COMMON LAND**

The PAG received a report which updated Members about the Common Land and Waste of the Manor land in Beaconsfield Old Town and the responsibilities/ limitations of the Council. The report sought the Portfolio Holder's agreement to restrict the Council's management of the land in line with the clauses set out in the Scheme of Management and recent Council Legal advice.

Members were advised that the need for the Council to limit expenditure of public money had identified a need to review the management situation in Beaconsfield Old Town. A recent Legal Review had clarified the responsibilities of the Council with regard to Common Land and Waste of the Manor Land.

In the discussion which followed, with regards to the Common Land, the PAG requested that that greater clarity be provided on what parcels of land the Council is responsible for including CL36, CL37, CL38, CL39 and that information be provided on what parts of the land the Council has already devolved maintenance to. Furthermore, the PAG requested that clarification be provided on section 6(e) of the Copy of the Scheme in connection with the regulation of motor vehicles. The PAG, being mindful of the possibility of legal challenges, were of the opinion that that the Council should enter into further discussions with the other parties to discuss possible ways forward.

With regards to the Waste of the Manor land, whilst recognising that the Council does not have a duty or responsibility in respect of the land outside the registered Scheme described as "waste of the manor" as it is not registered common land, the PAG were of the opinion that there may be times when it would be in the Council's interest to work with other parties and therefore the Council should arrange a meeting with the other parties to discuss areas of mutual benefit.

Having considered the advice of the PAG, the Portfolio Holder **AGREED** the following

Common Land:

- 1) that greater clarity be provided on what parcels of land the Council is responsible for including CL36, CL37, CL38, CL39;
- 2) that information be provided on what parts of the land the Council has already devolved maintenance to;
- 3) that clarification also be provided on section 6(e) of the Copy of the Scheme in connection with the regulation of motor vehicles; and

- 4) that the Council enters into further discussions with the other parties to discuss possible ways forward

Waste of the Manor land:

Whilst recognising that the Council does not have a duty or responsibility in respect of the land outside the registered Scheme described as "waste of the manor" as it is not registered common land, there may be times when it would be in the Council's interest to work with other parties and therefore the Council should arrange a meeting with the other parties to discuss areas of mutual benefit.

5. UPDATE ON FIGHTING FOOD WASTE PROJECT

The PAG received a report which updated Members on the approach for the county wide Fighting Food Waste project to be delivered through the Waste Partnership for Buckinghamshire.

The Waste Partnership for Buckinghamshire submitted a bid to DCLG's fund for increasing recycling rates and the partnership was awarded £838,600 for its proposed 'Fighting Food Waste' project. The aim of the project was to encourage more residents to recycle their food waste; this would increase recycling rates and also represents the lower cost option for processing food waste.

A base data gathering exercise identified that 50% of Buckinghamshire residents use their food recycling service but of that 50%, only a proportion of food waste was being captured. The Partnership Delivery Team for the project have looked at best practice examples provided by the Waste Resource Action Programme (WRAP). In terms of providing effective communications, the preferred approach had been agreed by the Environment Cabinet Members across the partnership.

The PAG were advised that it was proposed that a communications package containing a leaflet, a roll of caddy liners and a bin sticker for the residual bins be delivered to Buckinghamshire residents with wider communications taking place to promote food recycling and food waste reduction. Further data gathering exercises would take place to monitor the effectiveness of the campaign.

RESOLVED that the report be noted.

6. ANY OTHER BUSINESS

None.

The meeting terminated at 7.45 pm

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Item 10a: Establishment of Property Development and Management Company

Covering Note for Appendix B1 & B2

- 1 The draft Articles of Association (Appendix B1) have been prepared by the Council's external lawyers. The format of cross referencing to a statutory form of model articles allows the first part of the document to be restricted to the provisions specific to this company.
- 2 It is rare now to have a separate Memorandum - such a document now simply lists the initial shareholders; in this case, the Council. The objects/aims of the company are kept agile by including them in the annual Business Plan rather than setting them out in the Articles.
- 3 To ensure sufficient flexibility, rather than have formal shareholder's agreement whilst there is only one shareholder (the Council), the core matters reserved for prior approval are set out as Schedule 2 to the Articles. Other matters are listed in Appendix B2 and will be adopted at the AGM of the company each year. This will permit adaptation to new issues, circumstances and opportunities as they arise."

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Draft 2.1

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

OF

[CONSILIO PROPERTY] LIMITED

Company No [to be added]

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Company number: [NUMBER]
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
[CONSILIO PROPERTY]¹ LIMITED (the "Company")
(Adopted by special resolution passed on [DATE] 2017)

INTRODUCTION

1. Interpretation

1.1 The following definitions and rules of interpretation shall apply in these Articles:

Act: the Companies Act 2006.

Additional Reserved Matters: the additional matters reserved to the Controlling Shareholder in accordance with clause 5.3.

Articles: the Company's articles of association for the time being in force.

Business Plan: the annual business plan of the Company which shall include, as a minimum, the following items:

- a statement setting out the aims and objectives of the Company for the relevant year;
- a review of the Company's performance during the previous year to date;
- a financial budget; and
- such other matters requested by the Controlling Shareholder.

Business Day: a day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.

Conflict: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

Controlling Shareholder: a registered holder for the time being of not less than 75% in nominal value of the equity share capital of the Company from time to time.

¹ The proposed preferred company name seems to be available at Companies House.

Controlling Shareholder Nominated Directors: directors nominated by the Controlling Shareholder who shall initially be the individuals holding the following positions at the Local Authority: (i) Chief Executive; and (ii) Director of Services.

Eligible Director: a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).

Group: the Company, any subsidiary or any holding company of the Company from time to time, and any subsidiary from time to time of a holding company and **member of the Group** shall mean any of them.

Holding company: has the meaning given in article 1.6.

Local Authority: South Bucks District Council.

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*), as amended prior to the date of adoption of these Articles (a copy of which is attached to these Articles at Schedule 1) and reference to a numbered **Model Article** is a reference to that article of the Model Articles.

Reserved Matters: the matters reserved to the Controlling Shareholder in accordance with article 5.2 and Schedule 2.

Subsidiary: has the meaning given in article 1.6.

- 1.2 Unless expressly provided otherwise in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles. The final paragraph of Model Article 1 shall not apply to the Company.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to a numbered **Article** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise in these Articles, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- (a) any subordinate legislation made under it, whether before or after the date of adoption of these Articles; and

- (b) any amendment or re-enactment, whether before or after the date of adoption of these Articles and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.

This article 1.5 shall not apply to the definition of **Model Articles** in article 1.1.

- 1.6 A reference to a **holding company** or **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act [and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security, or (b) its nominee.
- 1.7 Any words following the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10 Model Articles 8(3), 11(2) and (3), 14(1), (2), (3) and (4), 38, 52 and 53 shall not apply to the Company.
- 1.11 Model Article 7 shall be amended by:
 - (a) the insertion of the words "for the time being" at the end of Model Article 7(2)(a); and
 - (b) the insertion in Model Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 In Model Article 8(2), the words "copies of which have been signed by each eligible director" shall be deleted and replaced with the words "of which each Eligible Director has signed one or more copies".
- 1.13 Model Article 20 shall be amended by the insertion of the words "and the company secretary (if any)" before the words "properly incur".
- 1.14 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.15 In Model Article 30(4), the words "the terms on which shares are issued" shall be deleted and replaced with "the rights attached to any shares".

- 1.16 In Model Article 32(a), the words "the terms on which the share was issued" shall be deleted and replaced with "the rights attached to the share".
- 1.17 Model Article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Model Article.

DIRECTORS

2. Number of directors

- 2.1 Unless otherwise determined by ordinary resolution, the number of directors shall be no more than five but not be less than two.
- 2.2 In the event that there is only one director, such sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these Articles.
- 2.3 At all times the majority of directors in post shall be Controlling Shareholder Nominated Directors.

3. Appointment and removal of directors

- 3.1 A Controlling Shareholder may at any time and from time to time by notice in writing to the Company appoint one or more persons to be a director or directors of the Company and to remove any director or directors from office (whether or not appointed pursuant to this article 3.).
- 3.2 Model Article 18 shall be amended by the inclusion of the words "notification of the director's removal is received by the Company from a Controlling Shareholder pursuant to Article 8.1" as a new paragraph (g) at the end of that Model Article.
- 3.3 Any removal of a director pursuant to article 3.1 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the director so removed.

4. Secretary

- 4.1 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 they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

5. Directors' general authority

- 5.1 Any or all powers of the directors (or any of them) shall be restricted in such respects, to such extent and for such duration as a Controlling Shareholder may from time to time by notice in writing to the Company prescribe.
- 5.2 The directors shall only be able to undertake a Reserved Matter with the prior consent of the Controlling Shareholder.
- 5.3 The Controlling Shareholder shall be able to nominate Additional Reserved Matters to be considered at an Annual General Meeting and if such Additional Reserved Matters are adopted at such Annual General Meeting, the directors shall (from the date of such Annual General Meeting) only be able to undertake such Additional Reserved Matters with the prior consent of the Controlling Shareholder.

6. Quorum for directors' meetings

- 6.1 Subject to article 6.2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors or, where there is only one director in office for the time being, that director.
- 6.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s) (as defined in article 8.1), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

7. Transactions or other arrangements with the Company

- 7.1 Subject to section 177(5) and (6) and section 182(5) and (6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - (b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
 - (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;

- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit, nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7.2 The provisions of article 7.1(a) to article 7.1(f) (inclusive) are subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 8.3.

8. Directors' conflicts of interest²

8.1 The directors may, in accordance with the requirements set out in this article 8, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest.

8.2 Any authorisation under this article 8 will be effective only if:

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

8.3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently) impose on the Interested Director such conditions or limitations, or be granted subject to such terms, as the directors may think fit for the purposes of dealing with the Conflict and the Interested Director will be obliged to conduct himself in accordance with any such terms and conditions.

² The Company may wish to put a conflicts of interest policy in place at some point in the future.

- 8.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, before such revocation or variation, in accordance with the terms of such authorisation.
- 8.5 A director, notwithstanding his office, may be a director or other officer of, employed by the Controlling Shareholder and no further authorisation under article 8.1 shall be necessary in respect of any such interest.
- 8.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit that he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles, by the Company or by these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

9. Records of decisions to be kept

- 9.1 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions.

SHARES AND SHAREHOLDERS

10. Issue of new shares

- 10.1 The directors shall not exercise any power of the Company to allot shares or other securities in, or to grant rights to subscribe for, or convert into, shares or other securities of, the Company without the prior written consent of a Controlling Shareholder (if any). Without limitation, the powers of the directors under section 550 of the Act are limited accordingly.

11. Quorum for general meetings

- 11.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 11.2 Where the Company has only one shareholder for the time being, one qualifying person (as defined in section 318 of the Act) present at the meeting shall be a quorum. In any other case, the quorum shall be:
- (a) a Controlling Shareholder present in person, by proxy or by authorised representative; or
 - (b) if the Company does not have a Controlling Shareholder for the time being, any two shareholders present in person, by proxy or by authorised representative.

12. Proxies

- 12.1 Model Article 45(1)(d) shall be deleted and replaced with the words "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 adjourned meeting) to which they relate".
- 12.2 Model Article 45(1) shall be amended by the insertion of the words "and 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" as a new paragraph at the end of that Model Article.

13. Annual general meeting

- 13.1 An annual general meeting shall be held every year in late September/early October.
- 13.2 The annual general meeting shall:
- (a) approve the annual accounts of the Company;
 - (b) reappoint the auditors of the Company;
 - (c) approve the Business Plan;
 - (d) approve the payment of any dividends recommended by the directors of the Company;
 - (e) approve the remuneration of the directors;
 - (f) consider the adoption of any Additional Reserved Matters requested by the Controlling Shareholder (and/or the removal of any Additional Reserved Matters);
 - (g) cover such other issues identified by the Controlling Shareholder.

14. Provision of information and access to records

- 14.1 The Company shall provide the Controlling Shareholder the following information on a quarterly basis:
- (a) trading reports for the preceding quarter.
 - (b) management accounts.
- 14.2 The Company shall provide the Controlling Shareholder the following information on an annual basis:
- (a) annual accounts.
 - (b) the draft Business Plan for each year, no later than 31 August in any year.
 - (c) such other matters reasonably requested by the Controlling Shareholder,

- 14.3 The Company shall provide the Controlling Shareholder with:
- (a) full access to the financial records of the Company on an open book basis; and
 - (b) reasonable access, on a confidential basis, to any other records on the reasonable request of the Controlling Shareholder PROVIDED THAT such access is not detrimental to the commercial position of the Company and shall not be in breach of data protection and other laws.

ADMINISTRATIVE ARRANGEMENTS

15. Change of company name

The name of the Company may only be changed by:

- (a) a decision of the directors; and
- (b) a special resolution of the shareholders,

or otherwise in accordance with the Act.

16. Means of communication to be used

- (a) if sent by post, the envelope containing the notice was properly addressed, paid for and posted; or
- (b) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

17. Indemnity and insurance

17.1 Subject to article 17.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them and including (in each case) any liability incurred by him in defending any civil or criminal proceedings, or regulatory investigation or action, in which judgment is given in his favour or in which he is acquitted or the proceedings are, or the investigation or action is, otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and
- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings, investigation,

action or application referred to in article 17.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

17.2 This article 17 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly.

17.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

17.4 In this article 17:

- (a) **associated company** means any member of the Group and **associated companies** shall be construed accordingly;
- (b) a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

Schedule 1
Model Articles

SCHEDULE 1 Regulation 2

MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

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4. Shareholders' reserve power
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DECISION-MAKING BY DIRECTORS

7. Directors to take decisions collectively
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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

“articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 39;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 31;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“instrument” means a document in hard copy form;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 10;

“proxy notice” has the meaning given in article 45;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the company;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

3. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

Shareholders' reserve power

- 4.—(1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

- 5.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—
 - (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;as they think fit.
(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
(3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

- 6.—(1) Committees to which the directors delegate any of their powers must 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.
(2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

7.—(1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

(2) If—

(a) the company only has one director, and

(b) no provision of the articles requires it to have more than one director, the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

Unanimous decisions

8.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

(2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

(3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

(4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

9.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

10.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

11.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—
- (a) to appoint further directors, or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

Chairing of directors' meetings

- 12.**—(1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chairman.
- (3) The directors may terminate the chairman's appointment at any time.
- (4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting vote

- 13.**—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Conflicts of interest

- 14.**—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when—
- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (c) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes—
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
 - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

15. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

Directors' discretion to make further rules

16. Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

Methods of appointing directors

17.—(1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director—

- (a) by ordinary resolution, or
- (b) by a decision of the directors.

(2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

(3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

Termination of director's appointment

18. A person ceases to be a director as soon as—

(a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

(b) a bankruptcy order is made against that person;

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

(d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

(e) *[paragraph omitted pursuant to The Mental Health (Discrimination) Act 2013]*

(f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

19.—(1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as the directors determine—

- (a) for their services to the company as directors, and
- (b) for any other service which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may—
 - (a) take any form, and
 - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

- 20.** The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—
- (a) meetings of directors or committees of directors,
 - (b) general meetings, or
 - (c) separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

PART 3 SHARES AND DISTRIBUTIONS SHARES

All shares to be fully paid up

- 21.**—(1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- (2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

Powers to issue different classes of share

- 22.**—(1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- (2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Company not bound by less than absolute interests

- 23.** Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

Share certificates

24.—(1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

(2) Every certificate must specify—

(a) in respect of how many shares, of what class, it is issued;

(b) the nominal value of those shares;

(c) that the shares are fully paid; and

(d) any distinguishing numbers assigned to them.

(3) No certificate may be issued in respect of shares of more than one class.

(4) If more than one person holds a share, only one certificate may be issued in respect of it.

(5) Certificates must—

(a) have affixed to them the company's common seal, or

(b) be otherwise executed in accordance with the Companies Acts.

Replacement share certificates

25.—(1) If a certificate issued in respect of a shareholder's shares is—

(a) damaged or defaced, or

(b) said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate—

(a) may at the same time exercise the right to be issued with a single certificate or separate certificates;

(b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and

(c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

Share transfers

26.—(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

(3) The company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

(5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transmission of shares

27.—(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

(a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

(b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(3) But transmitters do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmitters' rights

28.—(1) Transmitters who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the transmitter wishes to have a share transferred to another person, the transmitter must execute an instrument of transfer in respect of it.

(3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmitter has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmitters bound by prior notices

29. If a notice is given to a shareholder in respect of shares and a transmitter is entitled to those shares, the transmitter is bound by the notice if it was given to the shareholder before the transmitter's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

Procedure for declaring dividends

30.—(1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

(4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

Payment of dividends and other distributions

31.—(1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

(a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, “the distribution recipient” means, in respect of a share in respect of which a dividend or other sum is payable—

- (a) the holder of the share; or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

No interest on distributions

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company.

Unclaimed distributions

33.—(1) All dividends or other sums which are—

- (a) payable in respect of shares, and
 - (b) unclaimed after having been declared or become payable,
- may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

(3) If—

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
 - (b) the distribution recipient has not claimed it,
- the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

34.—(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

Waiver of distributions

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

- (a) the share has more than one holder, or

(b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

36.—(1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution—

(a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

(b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend would have been distributed to them.

(3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

(5) Subject to the articles the directors may—

(a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;

(b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

37.—(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(2) A person is able to exercise the right to vote at a general meeting when—

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such

resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

38. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

Chairing general meetings

39.—(1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

(a) the directors present, or

(b) (if no directors are present), the meeting, must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

Attendance and speaking by directors and non-shareholders

40.—(1) Directors may attend and speak at general meetings, whether or not they are shareholders.

(2) The chairman of the meeting may permit other persons who are not—

(a) shareholders of the company, or

(b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

Adjournment

41.—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—
 - (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

42. 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.

Errors and disputes

- 43.—(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

Poll votes

- 44.—(1) A poll on a resolution may be demanded—
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by—
- (a) the chairman of the meeting;
 - (b) the directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if—
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

- 45.—(1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—
- (a) states the name and address of the shareholder appointing the proxy;
 - (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
 - (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
 - (4) Unless a proxy notice indicates otherwise, it must be treated as—
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

- 46.**—(1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
 - (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
 - (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

- 47.**—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

- 48.**—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Company seals

- 49.**—(1) Any common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is—
- (a) any director of the company;
 - (b) the company secretary (if any); or
 - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

No right to inspect accounts and other records

50. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

Provision for employees on cessation of business

51. The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

- 52.**—(1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—
- (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
 - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
 - (c) any other liability incurred by that director as an officer of the company or an associated company.
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) In this article—

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a “relevant director” means any director or former director of the company or an associated company.

Insurance

53.—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

- (a) a “relevant director” means any director or former director of the company or an associated company,
- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

Schedule 2
Reserved Matters

Matters Reserved for Shareholder Approval

The Company shall not, except with the prior written consent of the Council:

- 1 Vary in any respect its articles of association or the rights attaching to any of its shares; or
- 2 Permit the registration (upon subscription or transfer) of any person as a member of the Company other than the Controlling Shareholder; or
- 3 Increase the amount of its issued share capital except as provided in shareholder agreement, grant any option or other interest (in the form of convertible securities or in any other form) over or in its share capital, redeem or purchase any of its own shares or effect any other reorganisation of its share capital; or
- 4 Issue any loan capital or enter into any commitment with any person with respect to the issue of any loan capital; or
- 5 Make any borrowing other than from the Local Authority or its bankers in the ordinary and usual course of business; or
- 6 Apply for the listing or trading of any shares or debt securities on any stock exchange or market; or
- 7 Pass any resolution for its winding up or present any petition for its administration (unless it has become insolvent); or
- 8 Engage in any business other than property development and management or defray any monies other than in good faith for the purposes of or in connection with the carrying on of such business; or
- 9 Form any subsidiary or acquire shares in any other company or participate in any partnership or joint venture (incorporated or not); or
- 10 Close down any business operation, sell, transfer, lease, licence or otherwise dispose of any of its material assets (otherwise than in the ordinary course of business), or dilute its interest in any of its subsidiaries for the time being; or
- 11 Amalgamate or merge with any other company or business undertaking; or
- 12 Alter its name or registered office; or

- 13 Enter into any transaction or arrangement of any nature whatsoever with any of the Company's members or directors or any person who is connected (within the meaning of sections 1122 and 1123 of the Corporation Tax Act 2010) to any of its members or directors whether or not any other person shall be party to such transaction or arrangement; or
- 14 Enter into any arrangement, contract or transaction outside the normal course of its business or otherwise than on arm's length terms; or
- 15 Declare or pay any dividend that exceeds in any year 75% of its post-tax distributable profits as shown by the audited accounts for that year, or make any other distribution (by way of capitalisation, repayment or in any other manner) out of its distributable profits or any of its reserves;
- 16 Establish or amend any profit-sharing, share option, bonus or other incentive scheme of any nature for directors, officers or employees; or
- 17 Change the Company's accounting reference date from a date other than 31 March.

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Additional Reserved Matters for Adoption at the AGM

The Company shall not, except with the prior written consent of the Council:

- 1 Enter into any commitment by way of a transaction or series of related transactions (including without limitation any leasing transaction) which would involve the Company in the payment or receipt of consideration having an aggregate value in excess of £10 million; or
- 2 Give notice of termination of any arrangements, contracts or transactions which are of a material nature in the context of its business, or materially vary any such arrangements, contracts or transactions; or
- 3 Enter into, as lessor or as lessee, any operating lease (as defined in Statement of Standard Accounting Practice 21) for a duration exceeding five years or involving aggregate premium and annual rental payments in excess of £1 million; or
- 4 Grant any rights (by licence or otherwise) in or over any intellectual property owned or used by the Company; or
- 5 Create or permit to be created any mortgage, charge, encumbrance or other security interest whatsoever on any material asset or its business in whole or in part or any of its shares other than:
 - (a) liens arising in the ordinary course of business; or
 - (b) any charge arising by the operation or purported operation of title retention clauses and in the ordinary course of business; or
- 6 Adopt or amend its annual Business Plan, or enter into any contract or commitment not provided for in the Business Plan under which it may incur costs in excess of £1 million or which may not be fulfilled or completed within the period of two years; or
- 7 Change either:
 - (a) its auditors; or
 - (b) its financial year end; or
- 8 Make or permit to be made any material change in the accounting policies and principles adopted by the Company in the preparation of its audited accounts except as may be required to ensure compliance with relevant accounting standards under the Companies Act 2006 or any other generally accepted accounting principles in the United Kingdom; or
- 9 Make any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits) or grant any credit (other than in the normal course of trading) or give any guarantee (other than in the normal course of trading) or indemnity; or
- 10 Give any guarantee, suretyship or indemnity to secure the liability of any person or assume the obligations of any person; or

- 11 Open or close any bank account; or
- 12 Alter any mandate given to the Company's bankers relating to any matter concerning the operation of the Company's bank accounts other than by the substitution of any person nominated as a signatory by the party entitled to make such nomination; or
- 13 Change its bankers; or
- 14 Factor or assign any of the book debts of the Company; or
- 15 Adopt or amend any standard terms of business (including prices) on which the Company is prepared to provide goods or services to third parties; or
- 16 Establish or amend any pension scheme or grant any pension rights to any director, officer, employee, former director, officer or employee, or any member of any such person's family; or
- 17 Dismiss any company director, officer or employee in circumstances in which it incurs or agrees to bear redundancy or other costs in excess of the statutory redundancy amount (with no limit on the amount of a week's pay used in the calculation of the redundancy payment) in total; or
- 18 Agree to remunerate (by payment of fees, the provision of benefits-in-kind or otherwise) any direct officer of, or consultant to, the Company at a rate in excess of the top of the CDC / SBDC Director pay scale pro rata per annum or increase the remuneration of any such person to a rate in excess of the top of the CDC / SBDC Director pay scale pro rata per annum; or
- 19 Enter into or vary any contract of employment providing for the payment of remuneration (including pension and other benefits) in excess of a rate of the top of the CDC / SBDC Director pay scale pro rata per annum or increase the remuneration of any staff (including pension and other benefits) to a rate in excess of the top of the CDC / SBDC Director pay scale pro rata per annum; or
- 20 Institute, settle or compromise any material legal proceedings (other than debt recovery proceedings in the ordinary course of business) instituted or threatened against the Company or submit to arbitration or alternative dispute resolution any dispute involving the Company; or
- 21 Make any agreement with any revenue or tax authorities or make any claim, disclaimer, election or consent exceeding £250,000 for tax purposes in relation to the Company or its business.