

Agenda item 7. Annex B

Heart of the South West CIC Members Meeting 21st April 2023

It is proposed to make amendments to the following relating to the period of office for Private Sector Directors and highlighted below; the other Articles will remain unchanged. The amendment is similar to that agreed in 2022 for the period of office for HE Directors, set out in the Annex for reference.

Current Articles

25. Private Sector Directors

25.1 Following an open recruitment procedure in line with the Nolan Principles, and subject to Article 25.2, the Directors shall appoint up to ten individuals as Private Sector Directors.

25.2 When considering individuals for appointment as Private Sector Directors, the Directors shall:-

- i. take account of the need for the Private Sector Directors to be representative of the community served by the Company; and
- ii. ensure that the individuals so appointed are from the Private Sector.

25.3 Subject to Article 25.4 and Article 28, a Private Sector Director is to hold office for a period of three years.

25.4 An individual may be reappointed as a Private Sector Director in accordance with Article 25.1 for a period of up to three years provided that his total period in office will be six years or less served consecutively or otherwise.

28. Termination of Director's appointment

A person ceases to be a Director as soon as:

(v) being a Private Sector Director that person comes to the end of his / her term of office under Article 25.3 or Article 25.4, or has served for a total of six years, consecutively or otherwise;

Proposed Articles

25. Private Sector Directors

25.1 Following an open recruitment procedure in line with the Nolan Principles, and subject to Article 25.2, the Directors shall appoint up to ten individuals as Private Sector Directors.

25.2 When considering individuals for appointment as Private Sector Directors, the Directors shall:-

- i. take account of the need for the Private Sector Directors to be representative of the community served by the Company; and
- ii. ensure that the individuals so appointed are from the Private Sector.

25.3 Subject to Article 25.4 and Article 28, a Private Sector Director is to hold office for a period of three years.

25.4 An individual may be reappointed as a Private Sector Director in accordance with Article 25.1 for a period of up to three years

25.5 Notwithstanding the provisions of Article 25.3 or 25.4, the Directors shall have the discretion to reappoint a Private Sector Director for such period as the Directors shall specify in writing at the time of such reappointment (being one or more periods of up to three years). The Directors may remove a Private Sector Director so reappointed by giving no less than 20 business days' notice in writing to the relevant Private Sector Director and the Company.

28. Termination of Director's appointment

A person ceases to be a Director as soon as:

(v) being a Private Sector Director that person comes to the end of his / her term of office under Article 25.3 or Article 25.4, or 25.5 or is removed from office in accordance with Article 25.5;

Annex – HE Director Changes 2022

Articles Prior to Amendment

23. HE Directors

23.1 The Higher Education Sector Organisations have the right to collectively appoint up to two individuals as HE Directors. Such an appointment is to take effect when notified to the Company in writing and delivered to the Registered Office, a Directors' meeting or the Secretary in person.

23.2 Subject to Articles 23.3 and 23.4, and Article 28, an HE Director is to hold office for a period of three years.

23.3 An individual may be reappointed as an HE Director in accordance with Article 23.1 for a period of up to three years provided that his total period in office will be six years or less served consecutively or otherwise.

23.4 The Higher Education Sector Organisations are entitled to collectively remove a HE Director in the same way as they appointed him or her.

23.5 In the event that the Higher Education Sector Organisations do not (or are unable to agree as to how to) exercise their right of appointment under Article 23.1 the Directors may appoint up to two individuals who, in their reasonable opinion, are suitably qualified or experienced to serve as HE Directors such that, at any time, there are no more than two HE Directors.

28. Termination of Director's appointment

A person ceases to be a Director as soon as:

(iii) being an HE Director that person comes to the end of his / her term of office under Articles 23.2 or 23.3 or is removed from office in accordance with Article 23.4 or has served for a total of six years, consecutively or otherwise

Articles as agreed April 2022

23. HE Directors

23.1 The Higher Education Sector Organisations have the right to collectively appoint up to two individuals as HE Directors. Such an appointment is to take effect when notified to the Company in writing and delivered to the Registered Office, a Directors' meeting or the Secretary in person.

23.2 Subject to Articles 23.3 and 23.4 and 23.6, and Article 28, an HE Director is to hold office for a period of three years.

23.3 Subject to Article 23.6, an individual may be reappointed as an HE Director in accordance with Article 23.1 for one or more periods of up to three years.

23.4 The Higher Education Sector Organisations are entitled to collectively remove a HE Director in the same way as they appointed him or her.

23.5 In the event that the Higher Education Sector Organisations do not (or are unable to agree as to how to) exercise their right of appointment under Article 23.1 the Directors may appoint up to two individuals who, in their reasonable opinion, are suitably qualified or experienced to serve as HE Directors such that, at any time, there are no more than two HE Directors.

23.6 Notwithstanding the provisions of Article 23.2 or 23.3, the Directors shall have the discretion to reappoint as an HE Director any person who holds office as a result of an appointment as an HE Director by the Higher Education Sector Organisations and who has already served at least one period in office of three years, for such period as the Directors shall specify in writing at the time of such reappointment (being one or more periods of up to three years). The Directors may remove an HE Director so reappointed by giving no less than 20 business days' notice in writing to the Higher Education Sector Organisations, the relevant HE Director and the Company.

28. Termination of Director's appointment

A person ceases to be a Director as soon as:

(iii) being an HE Director that person comes to the end of his / her term of office under Articles 23.2 or 23.3 or 23.6, or is removed from office in accordance with Article 23.4 or 23.6;