



## Cabinet 15 September 2010

### Havebury Housing Partnership: Articles of Association

The proposed new rules governing the appointment of Local Authority Directors by St Edmundsbury are as follows. Footnotes are provided for the Cabinet for clarification and do not form part of the actual Articles.

#### 1. Local Authority Directors

1.1 The Council Member has the right under Article 19.3.1 to appoint up to 5 Local Authority Directors.

1.2 If a vacancy arises for a Local Authority Director, the Company shall notify the Council Member<sup>i</sup>, who shall nominate a replacement to be appointed for a fixed period of three years provided that the Council Member shall and shall endeavour to procure that each Local Authority Director shall:

1.2.1 at all times act in the best interests of the Company;

1.2.2 have regard to the Overriding Principle<sup>ii</sup>;

1.2.3 have regard to any code of conduct or code of governance (however named) adopted by the Company; and

1.2.4 act in accordance with the requirements of charity law.

1.3 If, after being notified by the Company, the Council Member has not nominated a replacement for an outgoing Local Authority Director after a period of three months<sup>iii</sup>, the Board shall be entitled to appoint a replacement Local Authority Director to the Board of the Company (a **Replacement**). Such appointment will last for a fixed period of twelve months following the date of their appointment.

1.4 Notwithstanding paragraph 1.3, the Council shall be entitled to make a nomination for an alternative Local Authority Director. If the Council makes a nomination, and provided that the Overriding Principle has been complied with, that person shall be appointed to the Board as a Local Authority Director upon the expiry of the twelve month period. If no such nomination has been made, the Replacement will continue to act as a Local Authority Director in accordance with their service contract with the Company (if any) and as the Board thinks fit for a further two calendar years.

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<sup>i</sup> St Edmundsbury Borough Council

<sup>ii</sup> This principle ensures that all Directors, from each of the three groups (Local Authority, Tenant, Independent) can only be appointed to the Board if they have the skills, qualities and experience which the Board has from time to time determined that it requires

<sup>iii</sup> This time period will allow the matter to be referred to a meeting of full Council or, in exceptional circumstances, for urgency powers to be used.

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