



## **Articles of Association of the AECC University College**

Section 129(B) Education Reform Act 1988 – designated institution  
conducted by a company

incorporating

Instrument and Articles of Government

As adopted by Special Resolution 02.04.11

As amended 17.11.12

As amended 23.11.13

As amended 05.07.14

As amended 05.01.15

As amended 02.07.16

As amended 01.08.17

### **Company name**

1. The company's name is the AECC University College (and in this document it is called either the “company” or the “institution”).

### **Interpretation**

2. In the articles:

"address" means a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the institution;

"articles" means the institution's articles of association;

“board” means the board of the governors of the institution;

“chair” means the chair of the board appointed in accordance with article 25.1;

"clear days" in relation to the period of a notice means a period excluding:

- the day when the notice is given or deemed to be given; and
- the day for which it is given or on which it is to take effect;

"the Commission" means the Charity Commission for England and Wales;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the institution;

“directors” means the directors of the company who are also the governors;

"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;

"governors" means the governors of the institution. The governors are charity trustees as defined by section 177 of the Charities Act 2011 and are also directors of the company for the purposes of company law;

"independent governor" means a governor of the institution appointed in accordance with article 17.5;

"member" means a member of the company as set out in article 7;

"principal" means the principal of the institution;

"the seal" means the common seal of the institution;

"secretary" means any person appointed to perform the duties of the secretary of the institution;

"senior post" means the principal, the secretary and such other posts as determined by the board from time to time;

Words importing one gender shall include all genders, and the singular includes the plural and vice versa.

Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the institution.

Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

### **Liability of members**

3.1 The liability of the members is limited.

3.2 Every member of the company promises, if the company is dissolved while he or she or it is a member or within twelve months after he or she or it ceases to be a member, to contribute such sum (not exceeding £2) as may be demanded of him or her or it towards the payment of the debts and liabilities of the company incurred before he or she or it ceases to be a member, and of the costs charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves.

### **Objects**

4. The institution's objects ("Objects") are specifically restricted to the following:

- (a) to provide education and undertake research in health sciences, including chiropractic and/or other allied, related or ancillary disciplines.

- (b) to establish treatment centres for the treatment of disease and maintenance of health by the application of any health sciences discipline, including chiropractic and/or other allied, related or ancillary treatments.
- (c) to promote the study and advancement of health sciences, including chiropractic and/or other allied, related or ancillary disciplines.

## **Powers**

5. The institution has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, the institution has power:
- (1) to raise funds. In doing so, the institution must not undertake any substantial permanent trading activity and must comply with any relevant statutory regulations;
  - (2) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
  - (3) to sell, lease or otherwise dispose of all or any part of the property belonging to the institution. In exercising this power, the institution must comply as appropriate with sections 117 and 122 of the Charities Act 2011;
  - (4) to borrow money and to charge the whole or any part of the property belonging to the institution as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The institution must comply as appropriate with sections 124-126 of the Charities Act 2011 if it wishes to mortgage land;
  - (5) to co-operate with other educational establishments, charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
  - (6) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
  - (7) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity, educational establishment or other organisation, subject to obtaining appropriate permissions from the Commission;
  - (8) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
  - (9) to employ and remunerate such staff as are necessary for carrying out the work of the institution. The institution may employ or remunerate a governor only to the extent it is permitted to do so by article 6 and provided it complies with the conditions in that article;
  - (10) to
    - (a) deposit or invest funds;
    - (b) employ a professional fund-manager; and
    - (c) arrange for the investments or other property of the institution to be held in the name of a nominee;

in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

- (11) to provide indemnity insurance for the governors in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.

### **Application of income and property**

- 6.1 The income and property of the institution shall be applied solely towards the promotion of the Objects.
- 6.2 (a) A governor is entitled to be reimbursed from the property of the institution or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the institution.
- (b) A governor may benefit from trustee indemnity insurance cover purchased at the institution's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.
- (c) A governor may receive an indemnity from the institution in the circumstances specified in article 41.
- 6.3 None of the income or property of the institution may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any member of the company. This does not prevent a member who is not also a governor receiving:
- (a) a benefit from the institution in the capacity of a beneficiary of the institution;
- (b) reasonable and proper remuneration for any goods or services supplied to the institution.

### **Governors' benefits**

- 6.4 No governor or connected person may:
- (a) buy any goods or services from the institution on terms preferential to those applicable to members of the public;
- (b) sell goods, services, or any interest in land to the institution;
- (c) be employed by, or receive any remuneration from, the institution;
- (d) receive any other financial benefit from the institution;
- unless:
- (i) the payment is permitted by article 6.5 or
- (ii) the governors obtain the prior written approval of the Commission and fully comply with procedures it prescribes.

### **Scope and powers permitting governors'/connected persons' benefits**

- 6.5 (a) A governor or connected person may receive a benefit from the institution in the capacity of a beneficiary of the institution provided that a majority of the governors do not benefit in this way.

- (b) The principal, members of staff and students of the institution who are governors may be paid all remuneration and fees to which they would have been entitled if they were not governors provided always that no such person shall be entitled to vote upon any resolution providing for payment of or relating to such remuneration or relating to the conditions of service of any such officer or servant of the institution.
- (c) A governor or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the institution where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011.
- (d) Subject to article 6.6 a governor or connected person may provide the institution with goods that are not supplied in connection with services provided to the institution by the governor or connected person.
- (e) A governor or connected person may receive interest on money lent to the institution at a reasonable and proper rate which must be 2% (or more) per annum below the base rate of a clearing bank to be selected by the governors.
- (f) A governor or connected person may receive rent for premises let by the governor or connected person to the institution if the amount of the rent and the other terms of the lease are reasonable and proper and provided that the governor concerned shall withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (g) The governors may arrange for the purchase, out of the funds of the institution, of insurance designed to indemnify the governors in accordance with the terms of, and subject to the conditions in, section 189 of the Charities Act 2011.
- (h) A governor or connected person may take part in the normal trading and fundraising activities of the institution on the same terms as members of the public.

6.6 The institution and its governors may only rely upon the authority provided by article 6.5 (d) if each of the following conditions is satisfied:

- (a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between:
  - (i) the institution or its governors (as the case may be); and
  - (ii) the governor or connected person supplying the goods ("the supplier") under which the supplier is to supply the goods in question to or on behalf of the institution.
- (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.
- (c) The other governors are satisfied that it is in the best interests of the institution to contract with the supplier rather than with someone who is not a governor or connected person. In reaching that decision the

governors must balance the advantage of contracting with a governor or connected person against the disadvantages of doing so.

- (d) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the institution.
- (e) The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of governors is present at the meeting.
- (f) The reason for their decision is recorded by the governors in the minute book.
- (g) A majority of the governors then in office are not in receipt of remuneration or payments authorised by article 6.4.

6.7 In articles 6.2-6.5 "institution" shall include any company in which the institution:

- holds more than 50% of the shares; or
- controls more than 50% of the voting rights attached to the shares; or
- has the right to appoint one or more directors to the board of the company;

6.8 In articles 6.4-6.6 "connected person" means:

- (i) a child, parent, grandchild, grandparent, brother or sister of the governor;
- (ii) the spouse or civil partner of the governor or of any person falling within paragraph (i) above;
- (iii) a person carrying on business in partnership with the governor or with any person falling within paragraph (i) or (ii) above;
- (iv) an organisation which is controlled -
  - (1) by the governor or any connected person falling within paragraph (i), (ii), or (iii) above; or
  - (2) by two or more persons falling within sub-paragraph (1), when taken together
- (v) a body corporate in which -
  - (1) the governor or any connected person falling within paragraphs (i) to (iii) has a substantial interest; or
  - (2) two or more persons falling within sub-paragraph (1) who, when taken together, have a substantial interest.

6.9 Sections 350-352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this article.

## **Members**

- 7.1 The subscribers to the memorandum are the first members of the company.
- 7.2 Membership shall comprise the governors of the institution.
- 7.3 Membership is not transferable.
- 7.4 The governors must keep a register of names and addresses of the members.

## **General meetings**

- 8 The governors may call a general meeting at any time.

## **Notice of general meetings**

- 9.1 The minimum period of notice required to hold a general meeting of the company is fourteen clear days.
- 9.2 A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 percent of the total voting rights.
- 9.3 The notice must specify the date time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article 19.
- 9.4 The notice must be given to all the members and the auditors.
- 9.5 The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the company.

## **Proceedings at general meetings**

- 10.1 No business shall be transacted at any general meeting unless a quorum is present.
- 10.2 A quorum is one third of the total membership at the time, subject to a minimum of three, two of whom must be independent governors.
- 10.3 If:
  - (a) a quorum is not present within half an hour from the time appointed for the meeting; or
  - (b) during a meeting a quorum ceases to be present;

the meeting shall be adjourned to such time and place as the governors shall determine.

The governors must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.

- 10.4 If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person or by proxy at that time shall constitute the quorum for that meeting.
- 10.5 General meetings shall be chaired by the person who has been appointed to chair meetings of the governors. If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting a governor nominated by the governors shall chair the meeting.
- 10.6 The person who is chairing the meeting must decide the date, time and place at which the meeting is to be reconvened unless those details are specified in the resolution.
- 10.7 No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place.
- 10.8 If a meeting is adjourned by a resolution of the members for more than seven days, at least seven clear days' notice shall be given of the reconvened meeting stating the date, time and place of the meeting.

## **Voting**

- 11.1 Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded:
- (a) by the person chairing the meeting; or
  - (b) by at least two members present in person or by proxy and having the right to vote at the meeting; or
  - (c) by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- 11.2 The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- 11.3 The result of the vote must be recorded in the minutes of the company but the number or proportion of votes cast need not be recorded.
- 11.4 In the event of a tie of votes, the person who is chairing the meeting shall have the casting vote.

## **Polls**

- 12.1 A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting. If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.
- 12.2 A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll.



- 12.3 The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 12.4 A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.
- 12.5 A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs.
- 12.6 The poll must be taken within thirty days after it has been demanded.
- 12.7 If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 12.8 If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

### **Proxy notices**

- 13.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which
- (a) states the name and address of the member appointing the proxy;
  - (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the governors 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.
- 13.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 13.3 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.
- 13.4 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**

- 13.5 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.

- 13.6 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.
- 13.7 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.
- 13.8 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 appointer's behalf.

### **Written resolutions**

- 14.1 A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:
- (a) a copy of the proposed resolution has been sent to every eligible member;
  - (b) a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution; and
  - (c) it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date.
- 14.2 A resolution in writing may comprise several copies to which one or more members have signified their agreement.

### **Votes of members**

- 15.1 Every member shall have one vote.
- 15.2 Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.

### **Instrument of Government**

- 16 Articles 17 to 26 constitute the board of governors of the institution and together comprise the Instrument of Government of the institution required by section 129(B)(2)(a) of the Education Reform Act 1988.

### **Appointment of governors**

- 17.1 A governor must be a natural person aged 16 years or older.
- 17.2 The governors may appoint a person who is willing to act to be a governor.
- 17.3 No one may be appointed a governor if he or she would be disqualified from acting under the provisions of article 19.

- 17.4 The number of governors shall be a minimum of 12 and a maximum of 25 members.
- 17.5 The board of governors shall consist of a majority of independent governors appointed by the board and also include:
- a. the principal, ex officio
  - b. one member of the staff of the institution (“Staff Governor”) elected by the staff in accordance with article 18.3
  - c. one member of the student body of the institution (“Student Governor”) elected annually by the students in accordance with article 18.4.
- 17.6 No person who is a member of staff or a student of the institution may be appointed as an independent governor.
- 17.7 Independent governors shall be persons appearing to the board to have relevant skills and/or experience.

### **Term of office of governors**

- 18.1 Independent governors shall hold office for four years following which they shall be eligible for re-appointment, but may not normally be re-appointed more than once, except where subsequently undertaking a new and more senior role (for example as chair).
- 18.2 The election of a governor as chair, deputy chair or chair of a committee may result in the extension of his or her current term of office by a third term in line with Article 18.1 for up to four years.
- 18.3 The process for the appointment of the Staff Governor shall be specified in rules made by the board. The Staff Governor shall hold office for four years, following which s/he shall be eligible for re-election, but s/he may not normally be re-elected more than once unless otherwise determined by the board.
- 18.4 The process for the appointment of the Student Governor shall be specified in rules made by the board. The Student Governor shall hold office for one year, following which s/he shall be eligible for re-election, although no Student Governor shall hold office for more than three years.
- 18.5 Notwithstanding articles 18.1 to 18.4, a governor who has served the normal maximum term of office may be re-appointed or re-elected (as the case may be) if at least one year has passed since s/he ceased to be a governor.

### **Disqualification and removal of governors**

- 19 A governor shall cease to hold office if he or she:
- (1) ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director;
  - (2) is disqualified from acting as a trustee by virtue of sections 178 and 179 of the Charities Act 2011 (or any statutory re-enactment or modification of those provisions);

- (3) ceases to be a member of the institution;
- (4) in the case of the principal, ceases to hold that office;
- (5) in the case of the Staff Governor, ceases to be employed by the institution;
- (6) in the case of the Student Governor, ceases to be a registered student of the institution;
- (7) becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;
- (8) resigns as a governor by notice to the institution (but only if at least four governors will remain in office when the notice of resignation is to take effect);
- (9) at the discretion of the board if he or she fails to attend two consecutive duly convened board meetings without permission of the board or if the board is satisfied that the governor's conduct is prejudicial to the smooth running of the board; or
- (10) is removed at a general meeting of the company in accordance with the provisions of the Companies Acts.

### **Remuneration of governors**

20 The governors must not be paid any remuneration unless it is authorised by article 6.

### **Proceedings of governors**

- 21.1 The governors may regulate their proceedings as they think fit, subject to the provisions of the articles. Detailed procedures for the conduct of meetings of the board and its committees shall be set out in rules made by the board.
- 21.2 Members of senior management of the institution may be required to be in attendance at board meetings from time to time as determined by the board, but shall not be entitled to vote nor shall they be regarded as governors or shadow governors/directors.
- 21.3 Any three governors may call a meeting of the governors.
- 21.4 The secretary (if any) must call a meeting of the governors if requested to do so by at least three governors.
- 21.5 Questions arising at a meeting shall be decided by a majority of votes.
- 21.6 A meeting may be held by suitable electronic means agreed by the governors in which each participant may communicate with all the other participants.
- 21.7 No decision may be made by a meeting of the governors unless a quorum is present at the time the decision is purported to be made. 'Present' includes being present by suitable electronic means agreed by the governors in which a participant or participants may communicate with all the other participants.

- 21.8 The quorum shall be one-third of the total number of governors or such larger number as may be decided from time to time by the governors, of whom a majority must be independent governors.
- 21.9 A governor shall not be counted in the quorum present when any decision is made about a matter upon which that governor is not entitled to vote.
- 21.10 If the number of governors is less than the number fixed as the quorum, the continuing governors or governor may act only for the purpose of filling vacancies or of calling a general meeting.

### **Declaration of governors' interests**

- 22.1 A governor must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the institution or in any transaction or arrangement entered into by the institution which has not previously been declared. A governor must absent himself or herself from any discussions of the governors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the institution and any personal interest (including but not limited to any personal financial interest).
- 22.2 Notwithstanding the foregoing the Student Governor and the Staff Governor shall not be eligible to attend those parts of board meetings, or to receive information on board papers thereof at which discussions shall take place in respect of the employment or other arrangements of staff of the institution. In the event of any dispute as to whether a Student Governor and the Staff Governor are entitled to attend a part of the board meeting the decision of the chair shall be final.

### **Conflicts of interests**

- 23.1 If a conflict of interests arises for a governor because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted governors may authorise such a conflict of interests where the following conditions apply:
- (a) the conflicted governor is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
  - (b) the conflicted governor does not vote on any such matter and is not to be counted when considering whether a quorum of governors is present at the meeting; and
  - (c) the unconflicted governors consider it is in the interests of the institution to authorise the conflict of interests in the circumstances applying.
- 23.2 In this article a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a governor or to a connected person.

### **Validity of governors' decisions**

- 24.1 Subject to article 24.2, all acts done by a meeting of the governors, or of a committee of the governors, shall be valid notwithstanding the participation in any vote of a governor:
- (a) who was disqualified from holding office;
  - (b) who had previously retired or who had been obliged by the articles to vacate office;
  - (c) who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise;
- if without:
- (d) the vote of that governor; and
  - (e) that governor being counted in the quorum;
- the decision has been made by a majority of the governors at a quorate meeting.
- 24.2 Article 24.1 does not permit a governor or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the governors or of a committee of governors if, but for article 24.1, the resolution would have been void, or if the governor has not complied with article 22.

### **Election of the chair**

- 25.1 The governors shall appoint an independent governor to chair their meetings and may at any time revoke such appointment.
- 25.2 The term of office shall be as set out in Articles 18.1 and 18.2 and responsibilities of the chair shall be set out in rules made by the board.
- 25.3 If no chair has been appointed or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the governors present may appoint one of their number to chair that meeting.
- 25.4 The chair shall have no functions or powers except those conferred by the articles or set out in rules made by the board or as otherwise delegated to him or her by the governors.

### **Resolutions**

- 26.1 A resolution in writing or in electronic form agreed by a simple majority of all the governors entitled to receive notice of a meeting of governors or of a committee of governors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the governors or (as the case may be) a committee of governors duly convened and held provided that:
- (a) a copy of the resolution is sent or submitted to all the governors eligible to vote; and
  - (b) a simple majority of governors has signified its agreement to the resolution within the period of 28 days beginning with the circulation date.

- 26.2 The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more governors has signified their agreement.

### **Articles of Government**

- 27 Articles 28 to 35 provide for the conduct of the institution and together comprise the Articles of Government of the institution required by section 129B(2)(b) of the Education Reform Act 1988.

### **Conduct of the institution**

- 28 The institution shall be conducted in accordance with the provisions of the Companies Acts, the Education Acts (as defined by section 578 of the Education Act 1996), any relevant regulations, orders or directions made by the Secretary of State or by the Privy Council, and subject thereto, in accordance with the provisions of the articles, the Instrument of Government, the Articles of Government and any rules or byelaws made under them.

### **Powers of governors**

- 29.1 The governors shall manage the business of the institution and may exercise all the powers of the institution unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.
- 29.2 The governors may appoint advisers to the board to advise on specific matters or in connection with particular projects. Such advisers shall attend board meetings but shall not be members of the board. The process for the appointment of advisers shall be specified in rules made by the board.
- 29.3 No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the governors.
- 29.4 Any meeting of governors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the governors.

### **Responsibilities of the governors**

- 30 The board of governors shall be responsible for:
- (a) The determination of the educational character and mission of the institution and for oversight of its activities;
  - (b) The effective and efficient use of resources, the sustainability and solvency of the institution and for safeguarding its assets;
  - (c) The adequate and effective risk management, control and governance of the institution and for the economy, efficiency and effectiveness (i.e. value for money) of its activities;

- (d) Approving annual estimates of income and expenditure;
- (e) The appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts;
- (f) Setting the framework for the pay and conditions of service of all other staff.

### **Responsibilities of the principal**

- 31.1 Subject to the responsibilities of the board, the principal shall be the chief executive of the institution and shall be responsible for:
- (a) Making proposals to the board about the educational character and mission of the institution, and for implementing the decisions of the board;
  - (b) The organisation, direction and management of the institution and leadership of the staff;
  - (c) the assignment and appraisal of the holders of senior posts, subject to the approval of the board or any committee formed by the board for that purpose;
  - (d) The appointment, assignment, grading, appraisal, suspension, dismissal and determination (within the framework set by the board) of the pay and conditions of services of staff other than the holders of senior posts;
  - (e) The determination, after consultation with the academic board, of the institution's academic activities, and for the determination of its other activities;
  - (f) Preparing annual estimates of income and expenditure for consideration by the board, and for the management of budget and resources within the estimates approved by the board; and
  - (g) The maintenance of student discipline.
- 31.2 The principal may delegate any of his or her responsibilities to a senior member of staff of the institution, other than accountability for the institution's budget and resources.

### **Delegation**

- 32.1 Subject to the provisions of article 32.6, the governors may delegate any of their powers or functions to a committee of two or more governors, to the chair or to the principal, but the terms of any delegation must be recorded in the minute book.
- 32.2 The governors may impose conditions when delegating, including the conditions that:



- (a) the relevant powers are to be exercised exclusively by the committee or person to whom they delegate;
  - (b) no expenditure may be incurred on behalf of the institution except in accordance with a budget previously agreed with the governors.
- 32.3 The governors may revoke or alter a delegation.
- 32.4 The membership of committees and their terms of reference shall be set out in rules made by the board, and may include provision that the membership of a committee may include representatives of the staff or students of the institution and/or other members co-opted from outside the board.
- 32.5 All acts and proceedings of any committees must be fully reported to the board at the following board meeting.
- 32.6 The governors shall not, however, delegate the following:
- (a) the determination of the educational character and mission of the institution;
  - (b) the approval of the annual estimates of income and expenditure;
  - (c) ensuring the solvency of the institution and safeguarding its assets; or
  - (d) the appointment or dismissal of the principal.

### **Academic board**

- 33.1 There shall be an academic board, the composition and terms of reference of which shall be prescribed in rules made by the governors.
- 33.2 Subject to the provisions of the articles, to the overall responsibility of the board and to the responsibilities of the principal, the academic board shall be responsible:
- (a) for general issues relating to the research, scholarship, teaching and courses at the institution, including criteria for the admission of students; the appointment and removal of internal and external examiners; policies and procedures for assessment and examination of the academic performance of students; the content of the curriculum; academic standards and the validation and review of courses; the procedures for the award of qualifications and honorary academic titles; and the procedures for the expulsion of students for academic reasons. Such responsibilities shall be subject to the requirements of validating and accrediting bodies;
  - (b) for considering the development of the academic activities of the institution and the resources needed to support them and advising the principal and the board thereon;
  - (c) for advising on such matters as the board or the principal may refer to the academic board.
- 33.3 The academic board may establish such committees as it considers necessary to enable it to carry out its responsibilities. The composition and terms of reference of such committees shall be determined by the academic board.

## **Staff**

- 34.1 Each member of staff shall serve under a contract of employment with the institution.
- 34.2 The board shall, after appropriate consultation with staff, make rules governing the conduct, suspension, discipline and dismissal of staff (including the holders of senior posts).
- 34.3 The board shall, after appropriate consultation with the staff, make rules enabling staff (including the holders of senior posts) to raise grievances about their employment.
- 34.4 In making rules under articles 34.2 and 34.3, the board shall have regard to the need to ensure that academic staff of the institution have freedom within the law to question and test received wisdom, and to put forward new ideas and controversial and unpopular opinions, without placing themselves in jeopardy of losing their jobs or any privileges they may have at the institution.

## **Students**

- 35.1 A students' union shall conduct and manage its own affairs and funds in accordance with a constitution approved by the board and shall present audited accounts annually to the board. No amendment to or rescission of that constitution, in part or in whole, shall be valid unless and until approved by the board.
- 35.2 After consultation with the academic board and representatives of the students, the board shall make rules governing the admission, suspension, discipline and expulsion of students, and for the consideration of student complaints and appeals.

## **Seal**

- 36 If the institution has a seal it must only be used by the authority of the governors or of a committee of governors authorised by the governors. The governors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a governor and by the secretary (if any) or by a second governor.

## **Minutes**

- 37 The governors must keep minutes of all:
- (1) appointments of officers made by the governors;
  - (2) proceedings at general meetings of the company;
  - (3) meetings of the governors and committees of the governors including:
    - (a) the names of the governors present at the meeting;
    - (b) the decisions made at the meetings; and
    - (c) where appropriate the reasons for the decisions.

## **Accounts**

- 38.1 The governors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.
- 38.2 The governors must keep accounting records as required by the Companies Acts.

## **Annual report and return and register of charities**

- 39.1 The governors must comply with the requirements of the Charities Act 2011 with regard to the:
- (a) transmission of the statements of account to the Commission;
  - (b) preparation of an Annual Report and its transmission to the Commission;
  - (c) preparation of an Annual Return and its transmission to the Commission.
- 39.2 The governors must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

## **Means of communication to be used**

- 40.1 Subject to the articles, anything sent or supplied by or to the institution 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 institution.
- 40.2 Subject to the articles, any notice or document to be sent or supplied to a governor in connection with the taking of decisions by governors may also be sent or supplied by the means by which that governor has asked to be sent or supplied with such notices or documents for the time being.
- 40.3 Any notice to be given to or by any person pursuant to the articles:
- (1) must be in writing; or
  - (2) must be given in electronic form.
- 40.4 The institution may give any notice to a member either:
- (a) personally; or
  - (b) by sending it by post in a prepaid envelope addressed to the member at his or her address; or
  - (c) by leaving it at the address of the member; or
  - (d) by giving it in electronic form to the member's address.

- 40.5 A member who does not register an address with the institution or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the institution.
- 40.6 A member present in person at any meeting of the institution shall be deemed to have received notice of the meeting and of the purposes for which it was called.
- 40.7 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- 40.8 Proof that an electronic form of notice was given shall be conclusive where the company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.
- 40.9 In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:
- (a) 48 hours after the envelope containing it was posted; or
  - (b) in the case of an electronic form of communication, 48 hours after it was sent.

### **Indemnity**

- 41 The institution shall indemnify any governor against any liability incurred by him or her in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006.

### **Rules**

- 42.1 The governors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the institution.
- 42.2 The rules or bye laws may regulate the following matters but are not restricted to them:
- (a) the conduct of members of the institution in relation to one another, and to the institution's employees and volunteers;
  - (b) the setting aside of the whole or any part or parts of the institution's premises at any particular time or times or for any particular purpose or purposes;
  - (c) the procedure at general meetings and meetings of the governors in so far as such procedure is not regulated by the Companies Acts or by the articles;
  - (d) generally, all such matters as are commonly the subject matter of company rules.
- 42.3 The company in general meeting has the power to alter, add to or repeal the rules or bye laws.

- 42.4 The rules or bye laws shall be binding on all members of the institution. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

### **Dissolution**

- 43.1 The members of the institution may at any time before, and in expectation of, its dissolution resolve that any net assets of the institution after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the institution be applied or transferred in any of the following ways:
- (a) directly for the Objects; or
  - (b) by transfer to any charity or charities for purposes similar to the Objects; or
  - (c) to any charity or charities for use for particular purposes that fall within the Objects.
- 43.2 Subject to any such resolution of the members of the institution, the governors of the institution may at any time before and in expectation of its dissolution resolve that any net assets of the institution after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the institution be applied or transferred:
- (a) directly for the Objects; or
  - (b) by transfer to any charity or charities for purposes similar to the Objects; or
  - (c) to any charity or charities for use for particular purposes that fall within the Objects.
- 43.3 In no circumstances shall the net assets of the institution be paid to or distributed among the members of the institution and if no resolution in accordance with article 36.1 or 36.2 is passed by the members or the governors the net assets of the institution shall be applied for charitable purposes as directed by the Court or the Commission.