

Surrey Wildlife Trust

Notes on the draft Articles of Association

1. Introduction

- 1.1 The Charity Governance Code recommends that a charity's constitution is reviewed and updated periodically to reflect changes in the law and good practice and make any necessary adjustments to the governance arrangements for the charity. Surrey Wildlife Trust's (**SWT**) constitution was last updated in 2008. After an interval of eleven years, it is to be expected that certain changes are desirable to modernise and make alterations to a charity's constitution. As SWT is established as a company limited by guarantee, the new constitution is called the Articles of Association (the **Articles**).
- 1.2 We have worked with the Trustees and Executive Team at SWT to prepare the updated Articles. While the Articles are necessarily tailored to SWT, there is no provision within the amended Articles that we would flag as particularly unusual for inclusion within a charity's constitution, although there are a number of provisions where bespoke drafting has been incorporated. The Articles contain provisions similar to those found in the Charity Commission's Model Articles of Association (and we note there is no requirement to follow this model) and the model Articles of Association prepared by the Charity Law Association.
- 1.3 The substantive changes to the Articles are relatively modest and the Articles do not aim to move away from the overarching governance structure of SWT or introduce major changes to SWT's governance.
- 1.4 These brief notes are not a complete review of every change made to SWT's constitution but aim to highlight key provisions that have stayed the same and briefly describe some of the changes.

2. COMMENTS ON ARTICLES

- 2.1 Many of the key provisions in the Articles are unchanged. The name, the objects (i.e. the purposes for which SWT exists) and the winding-up provisions have not been amended.
- 2.2 Furthermore, in some areas, the drafting has been revised and updated, but the amendments make little substantive change. This includes the updating to the powers (new Article 5) of SWT and provisions restricting benefits to members and trustees (new Article 11).
- 2.3 A brief description of more substantive changes to the Articles is below, with the changes being set out in the order in which they arise within the **new** Articles:
- 2.3.1 **Format and style:** The current Memorandum and Articles of Association is replaced by the Articles. This reflects a change in company law, which requires the substantive provisions governing a company to be contained

in the Articles of Association. The new Articles have also been simplified and modernised in a number of places from the drafting of the existing constitution.

- 2.3.2 **Article 7 (the Trustees):** The current Articles provide for Trustees to serve three terms of office, each lasting for approximately three years. The drafting has been improved to ensure the duration of terms of office is clear and that these align with the AGM every year.
- 2.3.3 **Article 8 (appointment of Trustees):** The members continue to have the right to put forward individuals to stand as Trustees. Additional provisions have been added so that a ballot can be held if there are more candidates than vacancies available.
- 2.3.4 **Article 9 (proceedings of Trustees):** New provisions on managing conflicts of interest have been included. This sets out a process prohibiting Trustees from participating in any vote on which they have a conflict of interest. It is now usual to include such provisions in a charity's constitution.
- 2.3.5 **Article 12 (membership):** It now says expressly that employees of the charity who are members may not vote while they remain employees. This is to avoid any risk of employees participating in a decision by members that may impact them personally.
- 2.3.6 **Article 13 (general meetings):** Company law permits 5% of members to require a general meeting (i.e. a meeting of the members) to be called. This has been reduced to 1% of the members of the Charity, which is to reflect the large size of the membership and makes it easier for members to call a general meeting to consider particular resolutions.
- 2.3.7 **Article 15 (appointment of proxy):** Members are allowed to appoint a proxy to exercise their vote at general meetings. This Article contains more detail on how a proxy can be appointed by a member.
- 2.3.8 **Article 18 (communication with members):** This has been updated to make clear notices can be given on a website (to which members are alerted by email or by post).