

STAFFORDSHIRE WILDLIFE TRUST

ANNUAL GENERAL MEETING 2015

PROPOSED NEW ARTICLES OF ASSOCIATION  
REPORT OF THE TRUSTEES

1. Staffordshire Wildlife Trust is a charity registered with the Charity Commission in England and Wales (no. 259558) and is a company limited by guarantee (no. 959609). The purposes for which it exists and the way it controls its business are set out in its Memorandum and Articles of Association.
2. The present Memorandum and Articles are those adopted when the Trust was founded in 1969. Over the years there have been ad hoc changes to deal with specific issues but there has been no comprehensive review since the Trust was founded. In the meantime much has changed, especially as a result of the implementation of substantial changes to company law contained in the Companies Act 2006. As a result a large number of companies and fellow Wildlife Trusts either have or are in the process of changing their Articles. Your Trustees have considered a large number of these documents from other Trusts and learnt from them. However each Wildlife Trust is different and it is not possible simply to copy what has been done elsewhere. In Staffordshire not only had the Articles not been comprehensively reviewed for a long time but neither had the governance of the Trust. The Trustees decided that a comprehensive governance review should be carried out so as to run the Trust in the optimum way for the second decade of the twenty first century and that that should be done first and the results incorporated in the new Articles alongside the changes required by law. That governance review began in September 2013 and was completed in January 2015. The detailed outcomes of the review are still being written up in a way which can be readily understood and published, but the implications for the Articles are clear and have been incorporated in the document you have before you.
3. The form of the new document is quite different from the old. An example is that there will no longer be a separate Memorandum and the matters covered in the old one will now be dealt with in the Articles themselves. It is not possible therefore to explain the new document by reference to changes made to the clauses in the old one. The best way to understand what is proposed is to look at the clauses of the new document and draw attention to those which mean that the Trust either can or must act in a different way than it has done in the past.
4. Clauses 1 and 2 do not contain any significant changes for the Trust. The objects for which the Trust is established, as set out in Clause 3, have not been changed. However the list of powers in Clause 4 has been substantially rewritten, with the advice of the Trust's solicitors, to make sure that it explicitly covers everything the Trust does now or is likely to want to do in the foreseeable future.

5. The provisions of Clauses 5, 6 and 7 are set out in a new way to reflect the provisions of the 2006 Act but the Trustees already take great care to avoid conflicts of interest and are not expected to require any change to existing practise. However the provisions of Clause 8 relating to conflicts of loyalty (but not of interest) are new and are likely to be helpful. It is becoming more and more common, for example, for persons to be trustees of more than one environmental charity. Your Trustees have given careful consideration as to what balance to strike here and the results are set out in Clause 8 as now before you.
6. The provisions about membership contained in clauses 9 to 17 go into more detail than do the present Articles but there are only two changes of principle. One is to give more discretion to the Trustees to introduce new classes of membership. This is important because it addresses one of the issues raised by the Charity Commission when they visited the Trust several years ago. It will also enable the trustees to act quickly if it is apparent that there are new types of membership opportunities. The other change is that Trust employees who choose to become Trust members will no longer be able to vote or put resolutions at General Meetings. This is now considered to be good practice to avoid potential conflicts of interest.
7. The provisions about general meetings contained in Clauses 18 to 24 have been completely rewritten to reflect company law as it now is, but nothing in the new provisions requires the Trust to change its present arrangements.
8. The provisions about Trustees and officers contained in Clauses 25 to 30 include some important changes arising from the governance review carried out by the Trustees. At present there can be a maximum of 18 Trustees and it has previously been the practise for the Board to meet quarterly with much business done in a number of committees whose decisions required ratification at the quarterly meetings of the full board. Your Trustees believe that 18 is too big for an effective decision making body; that meetings should be held at least monthly with all Trustees being fully involved in all aspects of the work of the Trust rather than specialising in the work of one committee; that Trustees term of office should be long enough to enable them to develop real expertise; and finally that there should be an overall limit on the period for which a trustee can serve so as to facilitate new Trustee recruitment and new thinking.
9. The new articles therefore reduce the maximum number of Trustees, introduce four year terms of office but provide that nobody can serve for more than three such terms without standing down for at least a year. This is considered good practice.
10. Clause 31 does not appear in the old Articles but reflects current practice and recognises the value of these roles and the help that the occupiers of them have given to the Trust since the roles were created informally.
11. The remaining clauses of the new Articles have been drafted to reflect company law as it now is but there are no changes there which have a particular local significance.

12. The Trustees unanimously recommend the adoption of the new Articles as circulated.

13. The Trustees would like to put on record their thanks to the Trust's solicitors, (Knights LLP of Newcastle-under-Lyme) for their help in drafting the Articles which are before you.

Vince Smith, Chairman

Bernard Price, Secretary