

Rules of Letchworth Garden City Heritage Foundation



NAME, OBJECTS AND REGISTERED OFFICE

1. The name of the Foundation shall be Letchworth Garden City Heritage Foundation (hereinafter called "the Foundation").
2. The objects of the Foundation shall be to carry on for the benefit of the local community of Letchworth Garden City ("the local community") the industry business or trade of:
 - (i) Promoting the preservation of buildings and other environmental features of beauty or historic interest within Letchworth Garden City.
 - (ii) Providing or assisting in the provision of facilities for the recreation or other leisure activity of the local community in the interests of social welfare with the object of improving their conditions of life.
 - (iii) Promoting the advancement of education and learning within Letchworth Garden City.
 - (iv) Promoting the relief of poverty and sickness within Letchworth Garden City.
 - (v) Supporting any charitable organisation having an office or branch in Letchworth Garden City.
 - (vi) Promoting any other charitable purposes for the benefit of the local community.
3. (a) In furtherance of the foregoing objects but not otherwise the Foundation shall have power:
 - (i) To co-operate with other bodies and persons in the United Kingdom of Great Britain and Northern Ireland and elsewhere in connection with all or any of the objects set out herein;
 - (ii) To encourage and promote and in any way support or aid the establishment and development of charitable societies concerned with Letchworth Garden City.
 - (iii) To act as trustees of and execute any charitable trusts which may lawfully be undertaken by the Foundation and to establish, undertake, superintend or administer any charitable fund for the benefit of the local community and (subject to the provisions of rule 4) to make any contribution out of the surplus assets or income of the Foundation from time to time to any such charitable fund or funds;

- (iv) To acquire, undertake, perform and discharge so far as may lawfully be done the assets, undertakings, duties, obligations and functions of any other body having objects similar to those of the Foundation and in particular the existing Letchworth Garden City Corporation upon the dissolution of that body provided that the application by the Foundation of such assets, undertakings, duties, obligations and functions shall be of a wholly charitable nature and in furtherance of the objects of the Foundation.
 - (v) Subject to such consents as may be required by law to purchase, hire, take on lease or otherwise acquire any property whether real or personal or any estate or interest therein and to construct, maintain and alter any buildings or erections and to sell, lease, let or hire, manage, turn to account or otherwise carry on any business or undertaking in connection with such property for any purpose which may further the objects of the Foundation.
 - (vi) To purchase or otherwise acquire or to encourage or promote and in any way support or aid the establishment and development of any subsidiary company (that is to say a company which would be deemed to be subsidiary under the terms of section 15 of the Friendly and Industrial and Provident Societies Act 1968) established for the purposes of carrying on any trade or business which is a proper trade and business either for the purpose of raising funds for the Foundation or for the furtherance of the objects of the Foundation, and to subscribe to, purchase, or acquire in any other way, any chose in action (including but without prejudice to the generality of the foregoing any stock, share, security, unit, debenture or debenture stock in each case whether preferred, deferred or secured or unsecured) and to guarantee, indemnify and secure by mortgaging or charging all or any part of its assets the obligations and liabilities and to make available financial assistance or accommodation in any other way to any such subsidiary company and to acquire all or any part of the capital of any company limited by shares carrying on any trade or business including without limitation farming, agricultural, forestry, property development, property and/or estate management, health care, education and training, leisure and recreational companies: Provided always that any ownership of shares in any subsidiary company of the Foundation or any other company referred to herein and the making of any loans whether or not on commercial terms to any such company shall be treated as an investment within rule 55 below.
 - (vii) To make donations or grants to any charitable object;
 - (viii) To petition for any Royal Charter or to apply for, promote and obtain any Act of Parliament, Order or Licence of the Secretary of State or other authority for the purpose of promoting all or any of the objects of the Foundation or of enabling the Foundation or any associated body to carry any of its objects into effect;
 - (ix) To exercise any power falling within Section 4 of the Housing Associations Act 1985 (as amended or re-enacted from time to time).
- (b) The Foundation shall have power to do all things necessary or expedient for the fulfilment of its objects.

4. The Foundation shall not trade for profit.
5. The registered office of the Foundation shall be at Broadway, Letchworth Garden City, Hertfordshire, SG6 3AB. Notice in the form prescribed by Treasury Regulations of any change in the situation of the registered office shall be sent by the Secretary to the Registrar of Friendly Societies within fourteen days thereof.
6. The registered name of the Foundation shall be kept painted or affixed in a conspicuous position in letters easily legible on the outside of every office or place in which the business of the Foundation is carried on, and the registered name of the Foundation shall be engraved in legible characters on its seal, and shall be mentioned in legible characters in all business letters of the Foundation, notices, advertisements and other official publications of the Foundation and in bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the Foundation, and in bills, invoices, receipts and letters of credit of the Foundation.

GOVERNORS

7.
 - (a) The governors of the Foundation shall be the persons whose names are entered in the register of governors.
 - (b) Subject to the provisions of rule 8 the Board of Management may in its discretion admit to governorship individual persons.
 - (c) One governor shall be North Hertfordshire District Council and one governor shall be Hertfordshire County Council PROVIDED THAT if at any time there shall be a reorganisation of local government so that either or both of such bodies shall cease to be the local authority or county council for Letchworth Garden City then the successor authorities to those bodies shall be governors, or, if there shall for the time being be a unitary local authority for the area comprising Letchworth Garden City (in place of Hertfordshire County Council and North Hertfordshire District Council), that unitary authority shall be a governor.
 - (d) Every governor shall hold one share only in the Foundation.
8.
 - (a) The maximum number of persons whom the Board of Management may admit to governorship shall be thirty of whom no more than fourteen persons may be General Governors, no more than ten persons may be Nominated Governors and no more than six persons may be Elected Governors.
 - (b) No person who is a minor and (subject to rule 7(c)) no body corporate or unincorporate shall be admitted to governorship.
9.
 - (a) Subject to the provisions of rule 8(a) and the next following provisions of this rule 9, the Board of Management may admit to governorship as a General Governor any person who shall have been nominated by two members of the Board of Management.

- (b) No person shall be admitted as a General Governor if such person does not reside in Letchworth Garden City unless following the admission of such person the number of General Governors residing in Letchworth Garden City is not less than one half of the total number of General Governors at that time PROVIDED THAT for the purposes of this rule 9(b) a person shall be deemed to reside in Letchworth Garden City if he has occupied residential property in Letchworth Garden City for a period of not less than one year immediately preceding his nomination for governorship.
 - (c) No person shall be admitted as a General Governor unless following the admission of such person the total number of Nominated Governors and elected Governors shall be greater than the total number of General Governors.
- 10.
- (a) Subject to the provisions of rule 8(a) and the following provisions of this rule 10, the Board of Management shall admit to governorship as a Nominated Governor any individual person nominated in accordance with the policy of the Board of Management for the time being in connection with the selection of Nominated Governors. Such policy shall at all times comply with the next following provisions of this rule.
 - (b) The policy of the Board of Management referred to in rule 10(a) shall provide as follows:
 - (i) In addition to Hertfordshire County Council and North Hertfordshire District Council (or their successor bodies or body in accordance with rule 7(c)), there shall be a Nominated Governor, nominated in respect of each of the following interests within Letchworth Garden City:
 - (aa) the preservation of buildings and other items of historical interest;
 - (bb) the preservation of the environment;
 - (cc) artistic and cultural activities;
 - (dd) sporting activities;
 - (ee) other recreational activities;
 - (ff) social welfare and the relief of poverty;
 - (gg) education; and
 - (hh) health;
 - (ii) The Nominated Governors nominated in respect of such interests shall be the persons nominated by any body corporate or unincorporated association or group of such bodies as may be designated by the Board of Management for the purposes of making such nominations.

- (iii) The Board of Management shall from time to time at intervals of not less than one year advertise publicly in Letchworth Garden City inviting applications from any body which is concerned with any of the interests referred to in rule 10(b)(i) and which wishes to take part in the selection and nomination of Nominated Governors PROVIDED THAT the Board of Management may in its policy lay down criteria for the selection of any such bodies as may apply.
 - (iv) In the event that there shall be more than one body accepted by the Board of Management for the purpose of making a nomination or nominations in any of the categories referred to in rule 10(b)(i), such bodies shall work together for the purpose of selecting the individual person or persons to be nominated for governorship. In the event that such bodies shall fail to agree upon the person or persons to be nominated, and shall select between them more such persons than there are nominations available, The Board of Management shall decide which of such persons shall be nominated.
 - (v) Any vacancy in respect of a Nominated Governor caused by any of the events referred to in rule 13 shall be filled by the Board of Management following nomination by the appropriate body or bodies in respect of the particular category of interest for which the former Nominated Governor, the cessation of whose governorship caused the vacancy, had been nominated.
- (c) Subject to the policy of the Board of Management complying in all respects with the foregoing provisions of this rule, the Board of Management may from time to time amend its policy as may be necessary or desirable.
- (d) The Foundation shall keep a certified copy of the current policy of the Board of Management and a certified copy of the approved list for the time being of the bodies referred to in rule 10(b)(ii) available for inspection at the registered office during the normal opening hours of that office.
11. (a) Subject to the provisions of rule 8(a) and the following provisions of this rule 11, the Board of Management shall admit to governorship as an Elected Governor any individual person elected in accordance with the policy of the Board of Management for the time being in connection with the election of Elected Governors. Such policy shall at all times comply with the next following provisions of this rule.
- (b) The policy of the Board of Management referred to in rule 11(a) shall provide as follows:-
- (i) there shall be six Elected Governors of the Foundation.
 - (ii) the Board of Management shall on a date it shall determine and subsequently every fifth anniversary of that date advertise publicly in Letchworth Garden City inviting persons to apply to become Elected Governors of the Foundation. The Board of Management may in its policy lay down criteria for the nomination and qualification of such applicants.

- (iii) there shall be such period as the Board shall determine in which applications should be made in response to an advertisement required pursuant to rule 11(b)(ii).
- (iv) if by the relevant closing date for applications the Board of Management shall be notified of six or fewer persons who qualify in accordance with the Board of Management's policy from time to time as seeking election as Elected Governors then those persons shall be admitted by the Board of Management to serve as Elected Governors of the Foundation in accordance with the provisions of rule 11(b)(vii).
- (v) if by the relevant closing date for applications the Board of Management shall be notified of more than six persons who qualify in accordance with the Board of Management's Policy as seeking election as Elected Governors the Board of Management shall hold an election to determine which of the qualifying applicants shall be admitted to governorship as Elected Governors. The election shall be held prior to a date to be determined by the Board.
- (vi) detailed provisions for the conduct of the elections referred to in rule 11(b)(v).
- (vii) the electorate for the elections referred to in rule 11(b)(v) shall be all those persons whose names and addresses appear on the register of local government electors last published by the relevant registration officer pursuant to Section 9 of the Representation of the People Act 1983 (as amended varied or re-enacted from time to time) before the commencement of the relevant elections of Elected Governors as electors for any of the parishes contained within Letchworth Garden City PROVIDED ALWAYS that there shall be excluded from such electorate those persons appearing on the aforementioned register who would not be entitled to vote in local government elections if they were held at the same time as the relevant election of Elected Governors.
- (viii) the Board of Management shall admit to governorship as Elected Governors of the Foundation the individual persons qualifying to be admitted pursuant to rule 11(b)(iv) or (where applicable) the six applicants polling the highest number of votes cast in the relevant election. Where two or more applicants receive the same number of votes as a result of which there would be in excess of six persons eligible to be admitted as Elected Governors the Board of Management shall decide who from amongst such applicants with the fewest equal number of votes shall be admitted to governorship.

- (ix) any vacancy in respect of an Elected Governor caused by any of the events referred to in rule 13(other than rule 13(j)) shall be filled by the Board of Management by appointing the unsuccessful applicant (if any) polling the next largest number of votes in the relevant election. If such applicant shall at such time be unable or unwilling to become an Elected Governor, the Board of Management shall select the unsuccessful applicant polling the next largest number of votes and so on until the vacancy shall be filled. If two or more unsuccessful applicants who would be entitled to be admitted to governorship pursuant to this rule have polled the same number of votes then the Board of Management shall decide from amongst those unsuccessful applicants who shall be admitted to governorship. If a vacancy shall arise and there shall be no person who pursuant to the provisions of this rule shall be eligible to be admitted to governorship as an Elected Governor then the Board of Management shall be deemed to have discharged its obligations pursuant to this rule 11 until such time as the Board of Management shall again be required to seek applicants for the position of Elected Governors pursuant to rule 11(b).
 - (c) Subject to the policy of the Board of Management complying in all respects with the foregoing provisions of this rule, the Board of Management may from time to time amend its policy as may be necessary or desirable.
 - (d) The Foundation shall keep a certified copy of the current policy of the Board of Management referred to in this rule 11 at the registered office during the normal opening hours of that office.
12. (a) Any applicant for governorship, whether as a General Governor, as a Nominated Governor or as an Elected Governor, shall forward to the registered office together with his application:
- (i) the appropriate nomination, signed (in the case of applicants for admission as a General Governor or as a Nominated Governor) by the persons or on behalf of the bodies making the nominations in accordance with rule 9 or 10, as the case may be; and
 - (ii) the sum of one pound (which shall be returned to him if the application is not approved).
- (b) An existing governor retiring pursuant to rule 13(h) or rule 13(j) who is seeking re-election and has complied with rule 12(a)(i) shall be deemed also to have complied with rule 12(a)(ii).
 - (c) Every application shall be considered by the Board of Management at the next of its meetings which is reasonably practicable.
 - (d) If the application is for admission as a Nominated Governor and the nomination received is in accordance with the relevant policy for the time being of the Board of Management, the Board of Management shall forthwith admit such applicant to governorship.

- (e) If the application is for admission as an Elected Governor and the applicant shall fulfil the criteria for admission to governorship in accordance with the relevant policy of the Board of Management then, upon fulfilment of such criteria, the Board of Management shall forthwith admit such applicant to governorship.
 - (f) If the application is approved the name of the applicant and the other necessary particulars shall be entered in the register of governors and one share in the Foundation shall be issued to the applicant.
13. A governor (not being a local authority) shall cease to be a governor if:
- (a) he dies; or
 - (b) he is expelled; or
 - (c) he withdraws from the Foundation; or
 - (d) he becomes bankrupt; or
 - (e) he compounds with his creditors; or
 - (f) he is convicted of an indictable offence; or
 - (g) he is, or may be, suffering from mental disorder and either:-
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application under the Mental Health (Scotland) Act 1960; or
 - (ii) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - (h) in the case of a General Governor or a Nominated Governor he retires in accordance with the next following provisions of this rule. On 30 September 1997 and on 30 September in each year following, one fifth or the nearest number thereto of the General Governors and one fifth or the nearest number thereto of the Nominated Governors shall retire from office. The governors in each category to retire on such date shall be those who have been longest in office since they last became respectively General Governors or Nominated Governors, but as between persons who became governors on the same day those to retire shall be chosen by lot PROVIDED THAT any governor who shall cease to be a governor pursuant to this rule shall be eligible for nomination for readmission to governorship in accordance with rule 12; or
 - (j) in the case of Elected Governor he retires in accordance with the next following provisions of this rule. On the fifth anniversary of their most recent election to governorship all of the Elected Governors shall retire from office. PROVIDED THAT any governor who shall cease to be a governor pursuant to this rule shall be eligible for readmission to governorship in accordance with rule 12(e); or

- (k) if he retires in accordance with the next following provisions of this rule. On 30 September in any year a governor who has in the twelve months immediately preceding the relevant 30 September attained the age of seventy five years shall retire from office PROVIDED THAT a resolution to extend the period of service of any governor for a period not exceeding five years may be carried by three fourths of the votes given thereon at any general meeting held before such governor shall cease to be a governor in accordance with this rule, and in such event such governor may continue to serve as a governor for the shorter of the further period as may be specified in such resolution or until the happening of any of the events referred to in paragraphs (a) to (j) and (l) of this rule; or
 - (l) he fails to attend any general meeting of the Foundation for two years.
14. (a) Subject to the provisions of rules 14(b) and 56(a), the Foundation (which, for the purposes of this rule 14, shall be deemed to include any Subsidiary of the Foundation) shall not make a payment or grant a benefit to any governor or to the spouse of any governor or to a business trading for profit of which a governor or the spouse of a governor is a principal proprietor or in the management of which a governor or the spouse of a governor is directly concerned.
- (b) The Foundation may pay expenses to a Board Member (including a co-opted member) or to an officer of the Foundation whether or not that officer has a contract of employment with the Foundation.
15. (a) Any governor (not being a local authority) may withdraw from the Foundation by giving the Secretary one month's notice in writing of his intention so to do.
- (b) A governor (not being a local authority) may be expelled by a resolution carried by the votes of not less than two thirds of the governors present in person and voting on a poll at an annual or special general meeting of the Foundation of which notice has been duly given, provided that a complaint in writing of conduct detrimental to the interest of the Foundation has been sent to him by order of the Board of Management not less than one calendar month before the meeting. Such complaint shall contain particulars of the conduct complained of and shall call upon the governor to answer the complaint and to attend the meeting called under this rule. At such meeting the governors shall consider evidence in support of the complaint and such evidence as the governor may wish to place before them. If on due notice having been served upon him the governor fails to attend the meeting without due cause the meeting may proceed in his absence.
- (c) A person expelled from governorship shall cease to be a governor forthwith upon the day at which the resolution to expel him was carried under the preceding paragraph of this rule.
- (d) No person who has been expelled from governorship shall be re-admitted except by a resolution carried by the votes of two-thirds of the governors present in person and voting on a poll at any general meeting of which notice has been duly given.

NOMINEES OF LOCAL AUTHORITIES

16. A local authority which is a governor, may by resolution of its council appoint and revoke the appointment of any person it thinks fit as a deputy who shall during the continuance of his appointment be entitled to exercise at any general meeting of the Foundation all such rights and powers as the council appointing him could exercise if it were an individual person. A copy of any such resolution signed by an authorised officer of the council shall be sent to the Secretary of the Foundation.

SHARE CAPITAL

17. The share capital of the Foundation shall be raised by the issue of shares of the nominal value of one pound each.
18. Shares shall be neither withdrawable nor transferable, shall carry no right to interest, dividend or bonus, and shall not be held jointly.
19. Where a governor ceases to be a governor or is expelled from the Foundation the share of that governor shall be cancelled and the amount paid up thereon shall become the property of the Foundation.

BORROWING POWERS

20. (a) The Foundation shall have power to borrow money for the purposes of the Foundation provided that at the time of borrowing, the sum of the amount remaining undischarged of monies borrowed and the amount of the proposed borrowing shall not exceed £50,000,000, and that for this purpose:
- (i) the amount remaining undischarged of any deferred interest or index-linked monies previously borrowed by the Foundation or on any deep discounted security shall be deemed to be the amount required to repay such borrowing in full if such borrowing became repayable at the time of the proposed borrowing; and
 - (ii) the amount of any proposed borrowing intended to be on deferred interest or index-linked terms or on any deep discounted security shall be deemed to be the proceeds of such proposed borrowing receivable by the Foundation at the time of the proposed borrowing.
- (b) The rate of interest payable at the time terms of borrowing were agreed on any money borrowed shall not exceed the rate of interest which, in the reasonable opinion of the Board of Management, represents the market rate of interest for borrowings of similar amount and on similar terms prevailing at that time, PROVIDED THAT, without prejudice to the foregoing provisions of this rule, in the case of a mortgage loan the Board of Management may delegate the actual determination of the said interest (within limits specified by the Board of Management) to an Officer or Board member or Committee of the Board of Management.
- (c) The Foundation shall not receive money on deposit.
- (d) The Foundation shall not issue loan stock.

- (e) Subject to the preceding clauses of this rule the Board of Management shall have power to determine from time to time the terms and conditions upon which money is borrowed and to vary such terms and conditions.
21. The Foundation may receive from any person, whether a governor or not, donations towards the work of the Foundation.

GENERAL MEETINGS

22. The Foundation shall within six months after the close of each financial year of the Foundation hold a general meeting which shall be called the annual general meeting.
23. The functions of the annual general meeting shall be:
- (a) to receive the account and balance sheet referred to in rule 59;
 - (b) to appoint the auditor;
 - (c) to elect Board members;
 - (d) to appoint and/or remove the Secretary of the Foundation; and
 - (e) to transact any other general business of the Foundation included in the notice convening the meeting.
24. All general meetings other than annual general meetings shall be called special general meetings and shall be convened either upon an order of the Chairman or upon a written requisition signed by not less than six of the governors stating the purpose for which the meeting is to be convened. If within fourteen days after delivery of a requisition to the Foundation a meeting is not convened, the governors who have signed the requisition may convene a meeting in the manner provided for in rule 25. A special general meeting shall not transact any business other than that mentioned in the notice convening the meeting.
25. (a) A general meeting shall be convened by fourteen clear days' notice in writing at the least posted or delivered to every governor at his registered address, specifying whether the meeting is an annual or special general meeting, stating the time, date and place thereof, and the general nature of the business for which it is convened. The accidental omission to send any notice to, or the non-receipt of any notice by, any governor shall not invalidate the proceedings at that general meeting.
- (b) A notice or communication sent by post to a governor at his registered address shall be deemed to have been duly served 72 hours after being posted.

PROCEEDINGS AT GENERAL MEETINGS

26. (a) No business shall be transacted at any general meeting of the Foundation unless a quorum of governors is present at the time the meeting proceeds to business. Six governors shall form a quorum.

- (b) If no quorum is present within half an hour of the time appointed for the meeting, the meeting, if convened on a requisition of the governors shall be dissolved, but in any other case shall stand adjourned to the same day in the next week at the same time and place. If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the governors present shall be a quorum.
27. (a) The Chairman of any meeting may with the consent of a majority of the governors present adjourn any meeting, but no business shall be transacted at any adjourned meeting other than the business not reached or left unfinished at the meeting from which the adjournment took place.
- (b) Every adjourned meeting shall be deemed a continuation of the original meeting and any resolution passed at an adjourned meeting shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
28. At all general meetings of the Foundation the Chairman of the Board of Management shall preside as Chairman, or if there is no Chairman of the Board of Management or he is not present or is unwilling to act, the governors present shall elect a governor (who shall be a member of the Board of Management if any such person is present and willing to act) to be the Chairman of the meeting.
29. Subject to the provisions of these rules or of any Act of Parliament, a resolution put to the vote at a general meeting shall, except where a poll is demanded or directed, be decided upon a show of hands.
30. On a show of hands every governor present in person, and on a poll every governor present in person shall have one vote. In the case of an equality of votes the Chairman of the meeting shall have a second or casting vote.
31. Unless a poll is demanded, a declaration by the Chairman that a resolution on a show of hands has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry made to that effect in the book containing the minutes of the proceedings of the Foundation shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of, or against, such resolution.
32. (a) A poll may be demanded either before or immediately after a vote by show of hands, by not less than one-tenth of the governors present at the meeting or may be directed by the Chairman. A demand for a poll may be withdrawn.
- (b) If a poll be demanded or directed it shall be taken at such time and in such manner as the Chairman shall direct. The result of such a poll shall be deemed to be the resolution of the Foundation in general meeting.
33. Any question as to the acceptability of any vote shall be determined by the Chairman of the meeting, whose decision shall be final

BOARD OF MANAGEMENT

34. (a) The Foundation shall have a Board of Management (in these rules called the "Board of Management" or the "Board") which shall manage the business of the Foundation.
- (b) The Board of Management shall consist of seven Board members, or of such greater number not exceeding ten as may be determined from time to time by the Foundation in general meeting.
- (c) Subject to rule 34(g) and to a nomination being made in accordance with rule 37(b) one Board Member shall be a County Council Board Member.
- (d) Subject to rule 34(g) and to a nomination being made in accordance with rule 37(c) one Board Member shall be a District Council Board Member.
- (e) Until the first annual general meeting the Board of Management shall consist of the seven governors who have signed the application for registration of the Foundation and such other persons, if any, as the Board of Management may appoint within the limit provided by clause (b) of this rule.
- (f) Subject to rule 34(g) and in the event that at any time there shall be no County Council Board Member or no District Council Board Member, (or, on the happening of the events referred to in rule 34(g), no Council Board Member) the remaining Board Members may continue to act and exercise all the powers of the Board of Management until the next following annual general meeting.
- (g) If at any time there shall be a reorganisation of local government so that either or both of Hertfordshire County Council or North Hertfordshire District Council shall cease to be the county council or local authority for Letchworth Garden City and there shall be for the time being a unitary local authority for the area comprising Letchworth Garden City, there shall, with effect from the annual general meeting following such reorganisation taking effect, be no County Council Board Member or District Council Board Member, but subject to a nomination being made in accordance with rule 37(d) one Board Member shall be a Council Board Member.
35. (a) (i) Board members shall receive no remuneration for serving on the Board of Management other than the payment of expenses incurred in carrying out their duties.
- (ii) Any Board Members who shall also be members of a board of management of any company which is a Subsidiary of the Foundation shall not be entitled to receive any remuneration from such company for serving on that company's board other than the payment of expenses incurred in carrying out their duties.
- (b) Only governors shall be eligible to become Ordinary Board Members but the County Council Board Member and the District Council Board Member (or, as applicable, the Council Board Member) need not be governors.

- (c) No person shall be eligible to become a Board Member if he or his spouse is interested personally or as a member of a firm, director of a company or officer of a bank or building society or in any way whatsoever in any contract, arrangement or other transaction with the Foundation, except that the foregoing provisions of this rule 35(c) shall not apply to any interest of such persons in any lease or tenancy to which the Foundation is a party and which is already in force at the time when such persons first applied to become a governor (in the case of Ordinary Board Members) or at the time when such persons are first nominated as Board Members (in the case of County Council Board Members, District Council Board Members or, as applicable, Council Board Members) provided always that any person who is or whose spouse is so interested in whatsoever capacity shall in accordance with the provisions of rule 40(b) be required to disclose such interest whenever any matter bearing on such lease or tenancy is to be discussed by the Board of Management.

ELECTION OF BOARD MEMBERS

36. (a) At the first annual general meeting of the Foundation all the Board Members shall retire from office. At every subsequent annual general meeting one third or the nearest number thereto of the Ordinary Board Members and each of the County Council Board Member and the District Council Board Member (or, as applicable, the Council Board Member) shall retire from office. The Ordinary Board Members to retire at any such subsequent annual general meeting shall be those who have been longest in office since they last became Board Members, but as between persons who became Board Members on the same day those to retire shall be chosen by lot. In reckoning the aforesaid one third, any person appointed under rule 38 shall not be taken into account.
- (b) A retiring Ordinary Board Member shall be eligible for re-election without nomination.
37. (a) If at any annual general meeting the Ordinary Board Members offering themselves for re-election together with any other governors of the Foundation duly nominated for election to the Board of Management as Ordinary Board Members do not exceed the number of Ordinary Board Members to be elected, the governors nominated shall be declared by the Chairman to have been duly elected or re-elected; but if the governors nominated exceed the number of Ordinary Board Members to be elected the meeting shall elect from amongst them the persons to serve on the Board of Management as Ordinary Board Members.
- (b) If at any annual general meeting Hertfordshire County Council or its successor body (not being a unitary local authority) nominates one person for election to the Board of Management as the County Council Board Member, that person shall be declared by the Chairman to have been duly elected.
- (c) If at any annual general meeting North Hertfordshire District Council or its successor body (not being a unitary local authority) nominates one person for election to the Board of Management as the District Council Board Member, that person shall be declared by the Chairman to have been duly elected.

- (d) If at any annual general meeting following such a reorganisation of local government as is referred to in rule 34(g) any unitary local authority for the area comprising Letchworth Garden City nominates one person for election to the Board of Management as the Council Board Member, that person shall be declared by the Chairman to have been duly elected.
 - (e) All elections shall be by ballot at the general meeting in the manner directed by the Chairman. Each governor present in person shall be entitled to one vote for each vacancy to be filled but shall not give more than one vote to any one candidate.
 - (f) Nominations for the Board of Management shall be in writing, state the full name, address and occupation of the person nominated, be signed by the governor making the nomination, or the persons authorised to make the nomination by Hertfordshire County Council, North Hertfordshire District Council or (as applicable) by the appropriate unitary local authority, contain a signed statement by the person nominated of his willingness to be elected and be left at the registered office not later than three days before the date appointed for the general meeting at which vacancies on the Board of Management are to be filled.
- 38.
- (a) Any vacancy caused by death or resignation or under rules 39 or 40 in respect of a County Council Board Member shall be filled by another person to be nominated by Hertfordshire County Council or its successor body and such person shall be deemed to be a County Council Board Member for the purposes of these rules.
 - (b) Any vacancy caused by death or resignation or under rules 39 or 40 in respect of a District Council Board Member shall be filled by another person to be nominated by North Hertfordshire District Council or its successor body and such person shall be deemed to be a District Council Board Member for the purposes of these rules.
 - (c) Any vacancy caused by death or resignation or under rules 39 or 40 in respect of a Council Board Member shall be filled by another person to be nominated by the unitary local authority which originally nominated such Council Board Member and such person shall be deemed to be a Council Board Member for the purposes of these rules.
 - (d) A casual vacancy on the Board of Management occurring by death or resignation or under rule 40 in respect of an Ordinary Board Member may be filled by the Board of Management and the governor appointed to fill the vacancy shall retire at the next annual general meeting
- 39.
- (a) An Ordinary Board Member may be removed from office by a resolution carried by two thirds of the votes given thereon at a special general meeting which may proceed to fill the vacancy.
 - (b) A County Council Board Member or a District Council Board Member or a Council Board Member shall be removed from office by the Board of Management if the authority which nominated such Board Member shall at any time serve notice upon the Foundation withdrawing its nomination of that Board Member.
- 40.
- (a) A member of the Board of Management shall be deemed to have vacated his office if:
 - (i) he becomes bankrupt; or

- (ii) he compounds with his creditors; or
 - (iii) he is convicted of an indictable offence; or
 - (iv) he is, or may be, suffering from mental disorder and either:-
 - (aa) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application under the Mental Health (Scotland) Act 1960 or
 - (bb) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - (v) he ceases to be a governor (in the case of an Ordinary Board Member); or
 - (vi) he absents himself from three consecutive meetings of the Board of Management without special leave of absence or from four consecutive meetings; or
 - (vii) he or his spouse is or becomes interested personally or as a member of a firm, director of a company or officer of a bank or building society or in any way whatsoever in any contract, arrangement or other transaction with the Foundation except for any contract, arrangement or other transaction which relates to any lease or tenancy (including any property comprised therein) which is already in force at the time when such persons first applied to become a governor (in the case of Ordinary Board Members) or at the time when such persons are first nominated as Board Members (in the case of County Council Board Members, District Council Board Members, or, as applicable, Council Board Members).
- (b) Any member of the Board of Management who is or whose spouse is interested personally or as a member of a firm, director of a company, or officer of a bank or building society or in any way whatsoever in any contract, arrangement or other transaction (including any lease or tenancy or any matter bearing on any such lease or tenancy) which is about to be discussed by the Board of Management shall disclose that interest and not vote upon the matter under discussion, nor (unless requested so to do by the other members of the Board of Management) remain during any discussion of such matter and if by inadvertence he does remain and vote, his vote shall not be counted.
- (c) Any Board member who has been deemed to have vacated his office pursuant to the provision of rule 40(a)(vii) shall be accountable for any profit he or his spouse may receive from any such transactions referred to in that rule.

- (d) Any act done in good faith by a Board member whose office is vacated as aforesaid shall be valid unless prior to the doing of such act written notice has been served upon the Board member by the Board of Management and an entry has been made in the Board of Management's minute book stating that such Board member has ceased to be a member of the Board of Management.

PROCEEDINGS OF BOARD OF MANAGEMENT

41. The Board of Management shall meet at least six times in every calendar year at such times and places as they deem fit and seven clear days' notice of the date and place of such meetings shall be given in writing by the Secretary to all Board Members. Five Board Members or such number as comprises six tenths of the total membership of the Board of Management for the time being, whichever is the less, shall form a quorum.
42. Notwithstanding any vacancies on the Board of Management, the remaining Board Members may continue to act. If at any time the number of Board members falls below the number necessary for a quorum the remaining Board members may act as the Board of Management for a maximum period of three months, but, if at the end of that period the Board of Management has not appointed Board members to make the number up to that necessary for a quorum, the only power which the Board of Management may thereafter exercise shall be the convening of a general meeting of the Foundation which may appoint such number of Board members as is required to bring the number of members of the Board members to the number required to comply with rule 34(b).
43. The Board of Management shall, after each annual general meeting, elect a Chairman from their own number to hold office until the conclusion of the next annual general meeting. The Chairman shall be the Chairman of the Foundation and of the Board of Management. The Chairman shall be removable from the office of Chairman only by a vote of two thirds of the members of the Board present at a special meeting called for that purpose. In case of an equality of votes the Chairman of any meeting of the Board of Management shall have a second or casting vote. If at any meeting of the Board of Management the Chairman is absent the members of the Board of Management present shall elect one of their number to be Chairman of the meeting.
44. Meetings of the Board of Management may be called either by the Secretary, or by a notice in writing given to the Secretary by the Chairman of the Board of Management, or by three Board members, specifying the business to be transacted thereat. The Secretary shall communicate every such notice to all Board members as soon as possible after the receipt thereof, and the meeting shall be held at the ordinary place for meetings of the Board of Management not earlier than seven days clear and not later than fourteen clear days after the receipt by the Secretary of such notice. Should the Secretary fail to convene the special meeting as provided above, the Chairman of the Board of Management, or the three Board members who have given the notice in writing may call the meeting. No other business shall be done at the meeting than business named in the said notice.

POWERS OF BOARD OF MANAGEMENT

45. The business of the Foundation shall be conducted by the Board of Management which may exercise all such powers as may be exercised by the Foundation, and are not by these rules or by statute required to be exercised by the Foundation in general meeting, subject nevertheless to the provisions of these rules and any regulations not inconsistent with these rules made from time to time by the Foundation in general meeting. Any person acting in good faith and without prior notice shall not be concerned to see or enquire whether the powers of the Board of Management have been restricted by any regulations so made. The Board of Management shall in all things act for and in the name of the Foundation.
46. Without prejudice to the general powers conferred on the Board of Management by these rules it is hereby expressly declared that the Board of Management may exercise the following powers:
- (a) to purchase, sell, build upon, lease, manage, mortgage or exchange any property or land, enter into any floating charge of the whole or any part of the undertaking property and assets of the Foundation both present and future, and to enter into any contracts and settle the terms thereof;
 - (b) to compromise, settle, conduct, enforce or resist either in a Court of Law or by arbitration any suit, debt, liability or claim by or against the Foundation;
 - (c) to determine from time to time the terms and conditions upon which the property of the Foundation is to be let, leased or sold, and to make, revoke, and alter and at all times enforce as it thinks fit such terms and conditions;
 - (d) to appoint and remove all solicitors, architects, surveyors, consultants and employees of every description save for the Secretary of the Foundation who shall be appointed and removed as provided under rule 23(d).
 - (e) to pay all such expenses, including travelling expenses, as are properly incurred by any Board member in the execution of his duties;
 - (f) subject to rule 20, to borrow or raise money for the purposes of the Foundation on such security as may be thought fit subject to such consents as may be required by law;
 - (g) to determine from time to time the terms and conditions upon which the Foundation encourages and gives advice on the running of such societies and other charitable organisations concerned with matters connected with the objects of the Foundation;
 - (h) to exercise the Foundation's powers under rule 3;
 - (i) to affiliate the Foundation to any appropriate advisory, supervisory, trade or other organisation and pay an appropriate fee thereto.
47. A receiver appointed by a mortgagee may assume such powers of the Board of Management as he deems to be necessary to carry out his duties.

COMMITTEES OF THE BOARD OF MANAGEMENT

48. (a) The Board of Management may delegate any of its powers under written terms of reference to committees of the Board of Management, which shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Board of Management so far as these are applicable, and in accordance with any written instructions imposed on them by the Board of Management.
- (b) All acts and proceedings of such committee of the Board of Management shall be reported to the Board of Management.
- (c) The Board of Management shall determine the membership of its committees who shall include at least one person who also serves on the Board of Management and any such other persons as the Board of Management thinks fit.
- (d) Such number of committee members as may be specified by the Board of Management, shall form a quorum.
- (e) The Board of Management shall appoint the Chairman of any committee of the Board of Management.
49. All acts done in good faith by an meetings of the Board of Management or of any committee of the Board of Management shall, notwithstanding that it shall be afterwards discovered that there was any defect in the appointment of any Board member or Board members or that any one or more of them were disqualified be as valid as if every Board member had been duly appointed and was duly qualified to serve.
50. A resolution in writing signed by all Board members or by all the members of a committee of the Board of Management shall be as valid and effectual as if it had been passed at a meeting of the Board of Management or committee of the Board of Management duly called and constituted.

SECRETARY AND OTHER OFFICERS

51. (a) The Foundation shall have a Secretary who shall be appointed and/or removed by the governors in general meeting and who shall receive such remuneration (if any) as the Board of Management shall determine
- (b) Until the first annual or other general meeting the Secretary shall be the person who shall have signed the application for registration of the Foundation as Secretary
- (c) The Foundation shall have such other officers as the Board of Management may from time to time determine who shall be appointed and may be removed by the Board of Management and who shall receive such remuneration (if any) as the Board of Management shall determine.
- (d) The Secretary and the other Officers, if any, aforementioned shall act under the superintendence, control and direction of the Board of Management, and without prejudice thereto the Secretary shall in particular:
- (i) summon and attend all meetings of the Foundation and of the Board of Management and keep the minutes referred to in rule 61;

- (ii) keep the register of governors and other registers required to be kept by these rules; give notice to the Registrar within 14 days of any change in the situation of the registered office in the form prescribed by Treasury Regulations; prepare and send all returns required to be made to the Registrar; and have charge of the seal of the Foundation;
- (iii) unless the Board of Management otherwise direct, keep all the books of accounts and receive all contributions and other payments due from the governors and other persons to the Foundation and pay over the amount so received as the Board of Management direct;
- (iv) produce or give up all books, documents and property of the Foundation in his possession whenever required so to do by a resolution of the Board of Management or of a general meeting.

SECURITY BY OFFICERS AND INDEMNITY

52. The Board of Management shall require every Officer having receipt or charge of money to become bound either with or without a surety as the Board of Management determine in a bond according to one of the forms set out in Schedule 4 of the Industrial and Provident Societies Act 1965, or to give the security of a guarantee society in such sum as the Board of Management direct conditioned for their rendering a just and true account of all monies received by them on account of the Foundation as a general meeting or the Board of Management require them to do and for the payment by them of all sums due from them to the Foundation.
53. Each Officer shall be indemnified by the Foundation against all costs, losses and expenses which he may reasonably incur in discharge of his duties, including travelling expenses, and the amount for which such indemnity is provided shall immediately attach as a charge on the property of the Foundation.
54. No Officer shall be liable for any loss happening to the Foundation through the execution of the duties of his office, unless the loss be the consequence of his own dishonesty or gross negligence.

INVESTMENT

55. (a) The funds of the Foundation may, to the extent permitted by the law for the time being in force, with the authority of the Board of Management be invested:
- (i) in any manner expressly authorised by the Act;
 - (ii) in any investments covered by Parts I, II and III of the First Schedule to the Trustee Investments Act 1961 or in stocks or shares or debentures of any body corporate but subject in the case of any investments under Paragraphs 1 and 3 of Part III or of any body incorporated overseas to the taking of advice in accordance with the provisions of Section 6 of the Trustee Investments Act 1961;
 - (iii) in shares or on security of any Society registered under the Act;

- (iv) in any freehold, feuhold or leasehold property whatever in the United Kingdom and the Board of Management shall have power (subject, always to rule 4 hereof) to develop, redevelop, build upon, manage, sell, exchange, partition, mortgage, lease (for any rent premium or other consideration and upon any terms or conditions whatever), insure, improve, protect and generally deal with or dispose of such freehold feuhold and leasehold property as the Board of Management shall think fit;
- (v) in deposits held with any institution authorised pursuant to the Banking Act 1987 to accept deposits in the United Kingdom or in deposits held with or in the shares of any building society within the meaning of the Building Societies Act 1986;

but shall not be invested otherwise.

- (b) The Board of Management may, to the extent permitted by the law for the time being in force, delegate in writing to any person whom the Board of management reasonable believe to be qualified by ability in and experience of the matters delegated to him, and who is an authorised or exempted person for the purposes of Part 1 of the Financial Services Act 1986 as amended or re-enacted from time to time, the exercise of any of the powers of investment or management of the property for the time being forming part of the funds of the Foundation.

APPLICATION OF PROFITS

56. (a) The profits of the Foundation (which for the avoidance of doubt shall include profits made by any Subsidiary of the Foundation) shall not be distributed either directly or indirectly in any way whatsoever among governors of the Foundation PROVIDED ALWAYS that any payment in accordance with the Foundation's objects of charitable grants to be administered by North Hertfordshire District Council and/or Hertfordshire County Council or any successor body which may be a governor shall not be prohibited hereby.
- (b) An Annual general meeting may out of the profits of the Foundation as disclosed in the revenue account and balance sheet referred to in rule 59 having taken into account any payments under rule 3(a) (vii);
- (i) set aside to reserve such sum (not exceeding the amount recommend by the Board of Management) as it may direct which may be applied in or towards carrying out the objects of the Foundation;
 - (ii) allocate out of the remainder of the profits such sum as it may direct to a common fund to be used for such other charitable purposes as the Board of Management shall from time to time determine.
- (c) Any part of the profits not so applied shall be carried forward.

AUDIT

57. (a) There shall be appointed in each year of account a qualified auditor to audit the Foundation's accounts and balance sheet for that year. In this rule "qualified auditor" means a person who is a qualified auditor under Section 7 of the Friendly and Industrial and Provident Societies Act 1968.

- (b) None of the following persons shall be appointed as auditor of the Foundation:
 - (i) an officer who is a part of or in the employment of or who employs an officer or servant of the Foundation;
 - (ii) a person who is a partner of or in the employment of or who employs an officer or servant of the Foundation;
- (c) Save as provided in paragraph (d) of this rule every appointment of an auditor shall be made by resolution of a general meeting of the Foundation.
- (d) The first appointment of an auditor shall be made within three months of the registration of the Foundation and shall be made by the Board of Management if no general meeting of the foundation is held within that time. The Board of Management may appoint an auditor to fill any casual vacancy occurring between general meetings of the Foundation.
- (e) an auditor appointed to audit the accounts and balance sheet of the Foundation for the preceding year of account (whether by a general meeting or by the Board of Management) shall be re-appointed as auditor of the Foundation for the current year of account (whether or not any resolution expressly re-appointing him has been passed) unless:
 - (i) a resolution has been passed at a general meeting of the Foundation appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
 - (ii) he has given to the Foundation notice in writing of his unwillingness to be re-appointed; or
 - (iii) he is not a qualified auditor or a person mentioned in paragraph (b) of this rule; or
 - (iv) he has ceased to act as auditor of the Foundation by reason of incapacity.

Provided that a retiring auditor shall not be automatically re-appointed if notice of an intended resolution to appoint another person in his place has been give in accordance with paragraph (f) of this rule and the resolution cannot be proceeded with because of the death or incapacity of that other person or because that other person is not a qualified auditor or is a person mentioned in paragraph (b) of this rule.
- f. A resolution at a general meeting of the Foundation:
 - (i) appointing another person as auditor in place of a retiring auditor; or
 - (ii) providing expressly that a retiring auditor shall not be reappointed

shall not be effective unless notice of the intention to move it has been given to the Foundation not less than twenty-eight days before the meeting at which it is to be moved. On receipt by the Foundation of notice of such an intended resolution the Foundation shall forthwith send a copy of the notice to the retiring auditor. If it is practicable to do so the Foundation shall give notice to its governors of the intended resolution at the same time and in the same manner as it gives notice in accordance with these rules of the meeting at which the resolution is to be moved or, if that is not practicable, by advertisement not less than fourteen days before the said meeting in a newspaper circulating in the area in which the Foundation conducts its business. Where respect to the intended resolutions or notifies the Foundation that he intends to make such representations, the Foundation shall notify the governors accordingly as required by Section 6 of the Friendly and Industrial and Provident Societies Act 1968.

58. The auditor shall, in accordance with Section 9 of the Friendly and industrial and Provident Societies Act 1968, make a report to the Foundation on the accounts examined by him and on the revenue account or accounts and the balance sheet of the Foundation for the year of account in respect of which he is appointed.
59. The Board of Management shall lay a revenue account and balance sheet duly audited and signed by the auditor and incorporating the report of the auditor thereon before each annual general meeting, accompanied by a report by the Board of Management on the position of the affairs of the Foundation signed by the Chairman of the Board of Management meeting at which the report is adopted. The account shall be made up to such date within the period 1st September to 31st January inclusive as the Board of Management shall determine to be the end of the financial year, or such other date as may be allowed by the Registrar.

DISPUTES

60. (a) Every dispute on a matter governed by these rules between the Foundation or an officer thereof and any of: a governor, an aggrieved person who ceased to be a governor less than six months previously, a person claiming through such governor or aggrieved person, or a person claiming under these rules, shall be submitted with the consent of all parties:-
- (i) to the County Court; or
 - (ii) to an arbitrator appointed by the President for the time being of the Law Society.
- (b) The decision of an arbitrator appointed by the Law Society shall be binding and conclusive on all parties without appeal, and shall not be removable into any Court of Law or restrainable by injunction, and application for the enforcement thereof may be made by any party to the arbitration to the County Court.
- (c) The costs of the arbitration shall be borne as the arbitrator directs, and the complaining party shall before the arbitration deposit with the Foundation the sum of £25 to abide by the decision reached by the arbitrator.

MINUTES, SEAL, REGISTERS AND BOOKS

61. Minutes of every general meeting and of every meeting of the Board of Management shall be kept and such minutes shall be read at the next of such meetings respectively and signed by the Chairman of the meeting at which they are so read. All minutes so signed shall be conclusive evidence of any fact stated therein.
62. The Foundation shall have a Seal which shall be kept in the custody of the Secretary and shall be used only under the authority of a Resolution of the Board of Management, and the affixing of the Seal shall be attested by the signature of any two members of the Board of Management or by the signature of one member of the Board of Management and the counter-signature of the Secretary for the time being.
63. The Foundation shall keep at its registered office:-
 - (a) a register of governors in which the Secretary shall enter the following particulars:
 - (i) the names and addresses of the governors;
 - (ii) a statement of the share held by each governor and the amount paid therefor;
 - (iii) a statement of other property in the Foundation whether in loans or otherwise, held by each governor;
 - (iv) the date at which each person was entered in the register as a governor, and the date at which any person ceased to be a governor;
 - (v) the names and addresses of the officers of the Foundation with the offices held by them respectively and the dates on which they assumed office.
 - (b) a duplicate register of governors in which the Secretary shall enter all the particulars in the original register of governors other than those mentioned in paragraph (a)(ii) and (iii) of this rule. The inclusion or omission of the name of any person from the original register of governors shall, in the absence of evidence to the contrary, be conclusive that such person is or is not a governor of the Foundation;
 - (c) a register in which the Secretary shall enter such particulars of all mortgages and charges on land of the Foundation as the Board of Management direct.
64. The Foundation shall keep proper books of account with respect to its transactions and to its assets and liabilities in accordance with Sections 1 and 2 of the Friendly and Industrial and Provident Societies Act 1968.
65. The Foundation shall establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances.

ANNUAL RETURNS AND BALANCE SHEETS

66. Every year not later than the date provided by the Act or where the return is made up to the date allowed by the Registrar, not later than three months after such date, the Secretary shall send to the Registrar the annual return in the form prescribed by the Chief Registrar of Friendly Societies relating to its affairs for the period required by the Act to be included in the return together with:
- (a) a copy of the report of the auditor on the Foundation's accounts for the period included in the return; and
 - (b) a copy of each balance sheet made during that period and of the report of the auditor on that balance sheet.
67. The Foundation shall supply gratuitously upon application to every governor or person interested in the funds of the Foundation or any person who resides in Letchworth Garden City a copy of the last annual return of the Foundation for the time being together with a copy of the report of the auditor on the accounts and balance sheet contained in the return.
68. The Foundation shall keep a copy of the last revenue account and balance sheet for the time being together with the report made thereon by the auditor, always displayed in a conspicuous place at its registered office.

INSPECTION OF BOOKS AND COPIES OF RULES

69. (a) Any governor or person having an interest in the funds of the Foundation or any person who resides in Letchworth Garden City shall be allowed to inspect the books containing the names of the governors, including all particulars in the duplicate register of governors, at all reasonable hours at the registered office of the Foundation or at any place where the same are kept subject to such conditions as to the time and manner of such inspection as may be made from time to time by the general meetings of the Foundation.
- (b) The Secretary shall deliver a copy of the rules of the Foundation to every person on demand on payment of a sum not exceeding ten pence.

LETCHWORTH GARDEN CITY MEETING

70. (a) The Foundation shall within two months after each annual general meeting hold an open meeting which all persons residing in Letchworth Garden City may attend, such meeting to be known as the Garden City Meeting.
- (b) The date, time and location of the Garden City Meeting shall be published in any two newspapers in common circulation in Letchworth Garden City at least 14 clear days before the date appointed for the meeting.
- (c) The function of the Garden City Meeting shall be to receive a report from the Chairman of the Foundation (i) upon the activities of the Foundation during the period from the commencement of the previous financial year to the date of the relevant Garden City Meeting (ii) upon the intended activities of the Foundation (iii) upon the accounts and balance sheet of the Foundation for the previous financial year as adopted at the preceding annual general meeting.

LETCHWORTH GARDEN CITY CHARTER

71. (a) The Foundation shall at its first general meeting adopt a code ("the Charter") setting out the principles of service which any member of the public should be entitled to expect in any dealing with the Foundation, its officers or its staff or in any dealings with any Subsidiary of the Foundation.
- (b) The object of the Charter shall be to seek to ensure that any such member of the public:-
- (i) is made aware of the standards of service which he is entitled to expect, which must include a requirement for courtesy openness and helpfulness and a commitment to prompt action;
 - (ii) receives full, accurate and clear information about what services are being provided;
 - (iii) is treated without discrimination on grounds of race or sex;
 - (iv) has convenient access to the services which are being provided;
 - (v) is entitled to an explanation or apology, together with a well-published and readily available means of complaint if things go wrong
- (c) The Foundation shall seek to ensure that the activities of the Foundation are carried out in accordance with the Charter and shall from time to time review the operation of the Charter.
- (d) The Foundation may from time to time by a resolution of a general meeting amend the Charter, having regard always to the object referred to in rule 71(b) above.
- (e) The Foundation shall keep a certified copy of the current Charter available for inspection at the registered office during the normal opening hours of that office and shall supply copies of the current Charter on request.

STATUTORY APPLICATIONS TO THE REGISTRAR

72. (a) Any ten governors each of whom has been a governor of the Foundation for not less than twelve months immediately preceding the date of the application may apply to the Registrar in the form prescribed by Treasury Regulations to appoint an accountant or actuary to inspect the books of the Foundation and to report thereon.
- (b) One-tenth of the whole number of governors may apply to the Chief Registrar in the form prescribed by Treasury Regulations:
- (i) for the appointment of an Inspector or Inspectors to examine into the affairs of the Foundation and to report thereon, or
 - (ii) for the calling of a special general meeting of the Foundation.

PROCEEDINGS ON DEATH OR BANKRUPTCY OF A GOVERNOR

73. Upon a claim being made by the personal representative of a deceased governor or the trustee in bankruptcy of a bankrupt governor to any property in the Foundation belonging to the deceased or bankrupt governor the Foundation shall transfer or pay such property to which the personal representative or trustee in bankruptcy has become entitled as the personal representative or trustee in bankruptcy may direct them.

AMENDMENT TO RULES

74. Any rule of the Foundation may be rescinded or amended or a new rule may be made in the manner provided in the following rule.
75. (a) Rules 2, 4, 7(c), 7(d), 8, 9(b), 9(c), 10, 11, 13, 14, 17, 18, 35(a), 56(a), 71, 74, 78 and this rule are hereby declared to be fundamental, and shall not be amended or rescinded except by a resolution carried by all of the votes given thereon at a special general meeting of which notice has been given specifying the intention to propose such amendment or rescission. Notwithstanding the provisions of the Act no amendment to any of the aforementioned fundamental rules shall be effective unless and until the Charity Commissioners have by written application been invited to make and shall have made a scheme pursuant to Section 16 Charities Act 1993 (or any Act or Acts amending or in substitution for the same from time to time being in force) and for the purposes of ensuring compliance with this rule no purported change in any fundamental rule shall be effective unless and until the Scheme of the Charity Commissioners has been lodged with the Registrar and application for registration of the proposed change has been made in accordance with rule 76.
- (b) Any rule not declared to be fundamental may be rescinded or amended, or a new rule may be made, by a resolution carried by two-thirds of the votes given thereon at any special general meeting of which notice has been given specifying the intention to propose such rescission, amendment or new rule.
76. Application for the registration of every amendment of rules shall be made to the Registrar in manner and form required by Treasury Regulations as soon as practicable after the same has been made and a copy shall be issued to every governor and supplied with every copy of the rules issued after the registration thereof. No amendment of rules is valid until registered.

DISSOLUTION

77. The Foundation may be dissolved by the consent of three-fourths of the governors testified by their signatures to an instrument of dissolution in the form provided by Treasury Regulations or by winding-up in the manner provided by the Act.
78. If on the winding-up or dissolution of the Society there remains, after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the governors of the Society but shall be given or transferred to some other charitable institution having objects similar to the objects of the Society determined by the governors of the Society at or before the time of dissolution, or if there is no such charitable institution to some other charitable object.

INTERPRETATION OF TERMS

79. In these rules, including this rule, unless the subject matter or context are inconsistent therewith:
- (a) words importing the singular or plural include the plural and singular respectively;
 - (b) words importing gender include the male and female genders;
 - (c) "the Act" means the Industrial and Provident Societies Acts 1965 to 1978 or any Act or Acts amending or in substitution for the same and for the time being in force;
 - (d) "amendment of rules" includes the making of a new rule and the rescission of a rule, and "amended" in relation to rules shall be construed accordingly;
 - (e) "Board of Management" means the Board of Management appointed in accordance with rule 34 and "Board members" or "member of the Board of Management" mean a member of the Board of Management for the time being;
 - (f) "Council Board Member" means a member of the Board of Management who, following a reorganisation of local government such as that contemplated by rule 34(g), has been nominated by a unitary local authority for the area comprising Letchworth Garden City and who has been elected or re-elected to the Board of Management pursuant to rule 37(d);
 - (g) "County Council Board Member" means a member of the Board of Management who has been nominated by Hertfordshire County Council or any successor body and who has been elected or re-elected to the Board of Management pursuant to rule 37(b);
 - (h) "District Council Board Member" means a member of the Board of Management who has been nominated by North Hertfordshire District Council or any successor body and who has been elected or re-elected to the Board of Management pursuant to rule 37(c);
 - (i) "Elected Governor" means a governor appointed by the Board of Management in accordance with the provisions of rule 11;
 - (j) "Foundation" means the Foundation whereof these are the registered rules;
 - (k) "General Governor" means a governor either appointed by the Board of Management in accordance with the provisions of rule 9, or being one of the governors (excluding Hertfordshire County Council and North Hertfordshire District Council) who signed the application for registration of the Foundation;
 - (l) "governor" means one of the persons referred to in rule 7;
 - (m) "Letchworth Garden City Corporation" means the Corporation established pursuant to the Letchworth Garden City Corporation Act 1962;

- (n) "Letchworth Garden City" means the whole of the estate and undertaking from time to time owned or managed by Letchworth Garden City Corporation or by the Foundation together with the environs thereof and for the purposes of this rule "environs" shall mean the full extent of any ecclesiastical parish in which Letchworth Garden City Corporation or the Foundation from time to time own or manage land provided that such parish includes, adjoins or is adjacent to the town of Letchworth;
- (o) "local community" means persons living or working or whose families are living or working temporarily or permanently within Letchworth Garden City and persons visiting Letchworth Garden City;
- (p) "Nominated Governor" means a governor either nominated and appointed by the Board of Management in accordance with the provisions of rule 10, or Hertfordshire County Council or North Hertfordshire District Council or their successor bodies or body in accordance with rule 7(c);
- (q) "Officer" includes the Chairman and Secretary of the Foundation and any Board Member for the time being and such other Officers as the Board of Management may appoint under rule 51;
- (r) "Ordinary Board Member" means a member of the Foundation who has been elected or re-elected to the Board of management pursuant to rule 37(a) or who is a Board Member pursuant to rule 34(e) and who is neither a County Council Board Member nor a District Council Board Member or a Council Board Member;
- (s) "persons claiming through a governor" include their personal representatives and also their nominees where a nomination has been made;
- (t) "property" includes all real and personal estate (including books and papers);
- (u) "register of governors" means the register kept in accordance with rule 63(a);
- (v) "the Registrar" has the meaning given to it by the Act;
- (w) "these rules" means the registered rules of the Foundation for the time being;
- (x) "Secretary" means the Officer appointed under rule 51(b) or by the governors to be the secretary of the Foundation or other person authorised by the governors to act as their deputy; and
- (y) "Subsidiary of the Foundation" means any company or society which is deemed to be a subsidiary of the Foundation under the terms of Section 15 of the Friendly and Industrial and Provident Societies Act 1968.

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7.) Governors
..... Secretary