

# Standing Orders, Directors' Code of Practice and Policy Statements

## Carsphairn Village Shop Ltd

### 1. INTRODUCTION

This document should be read in conjunction with the Companies (Model Articles) Regulations 2008 as adopted by Special Resolution on 8<sup>th</sup> June 2016 with the addition of:

*Regulation 40. No member of the Company shall at any time be entitled to any distribution of any description per Part 23 Companies Act 2006 and in the event that the Company shall permanently cease to operate or provide accommodation for the operation of a retail shop in the village of Carsphairn its assets shall be distributed (First) in re-imbusement to Dumfries and Galloway Council of £24,000 being the grant paid to the Company by Dumfries and Galloway Regional Council and (Second) thereafter to Carsphairn Community Trust SC044308 or to such other charity or charities registered with the Scottish Charity Regulators as the members of the Company may by special resolution determine.*

The following Standing Order, Directors' Code of Practice and Policy Statements replaces all previous documents.

### 2. STANDING ORDERS

<b>1</b>	<b>Standing Orders of the Board</b>  1. The time and place of the meetings will be determined by the Board of Directors.  2. No business shall be transacted unless two Directors are present.  3. The Chairman will preside; in his absence the Vice- chairman will preside; otherwise the Directors will appoint their own Chairman.
<b>2</b>	<b>Order of Business</b>  <b>1. Tenant Representation</b> - Representation from the Tenants may be taken at the start of the meeting to allow the Tenants to withdraw before commencement of the meeting. See also point 12 Deputations. <b>2. Adoption of the Minutes for the Previous Meeting</b> - The Minutes of the previous meeting or Special Meeting held during the intervening period shall be confirmed on the motion of two Directors who were present at the meeting to which the Minutes refer, after which they shall be signed by the Chairman and kept as a permanent record. No discussion shall be allowed on the Minutes except on the question as to whether or not they are a correct record of the business transacted; a majority of the Board shall decide the question. <b>3. Matters Arising From the Minutes</b> <b>4. Correspondence</b>

	<p><b>5. Financial Statement</b>  <b>6. Property Matters</b>  <b>7. Any Other Competent Business</b>  <b>8. Date, Time and place of next meeting</b></p>
<b>3</b>	<p><b>Discussion</b></p> <p>1. Only one director shall speak at a time and shall address the Chair. He or she shall strictly confine their remarks to the discussion at the time before the meeting.</p> <p>2. No director shall be allowed to speak for more than five minutes on the subject under discussion, (unless by special consent of the Chairman) except the mover of a motion, who shall have the right to reply. Any director shall however, be entitled to speak at any time on a point of order.</p> <p>3. A motion for the next business shall have precedence over any debate and must be moved and seconded without a speech and be at once put to the meeting by the Chairman and voted upon.</p>
<b>4</b>	<p><b>Adjournment of the meeting</b></p> <p>1. The Meeting may be adjourned from time to time. A motion for adjournment shall have precedence over all other business, but must be moved and seconded without a speech and shall, if questioned, be at once put from the chair and voted for in the form of “adjourn” or “not adjourn”.</p> <p>2. If adjournment has been moved and lost it shall not be competent to again move adjournment within one half of an hour from the time it was last taken.</p> <p>3. When a Director moves adjournment or raise a question of order, a Director who has been speaking at the time shall resume his seat until the same has been decided.</p>
<b>5</b>	<p><b>Intervention of Chairman</b></p> <p>When the Chairman intervenes, any Director addressing the meeting shall immediately cease until the Chairman has recalled him or her.</p>
<b>6</b>	<p><b>Alteration of Motion</b></p> <p>No motion or amendment after being moved shall be altered in substance without leave of the board of Directors.</p>
<b>7</b>	<p><b>Motions etc., to be at once announced</b></p> <p>1. When a director desires to speak they shall, if it is intended to propose a motion or amendment, or raise a question of order, at once announce the terms thereof. Movers of Motions or amendments shall be allowed five minutes and three minutes for reply, but shall not introduce any new matters in their reply.</p>

	<p>2. When only one amendment has been proposed to a motion the vote shall be taken between the motion and the amendment. When there is more than one amendment the last amendment shall be put against the next preceding, and so on until there is only one amendment and the Motion.</p> <p>3. When voting is upon the candidates for an office or position all candidates shall be put to on eliminating vote. The maximum number of candidates on which members may vote is, in all cases, one less than the total number of votes at all periods during the vote. The candidate having the fewest number of votes in each division shall be struck off the list and the voting shall resume until those to be elected have each a majority of Members voting.</p> <p>4. When any voting is equal on a division the Chairman shall give his casting vote.</p> <p>5. When the chairman has announced the question on which the vote is to be taken, no member shall be allowed to offer an opinion or otherwise interrupt the proceedings.</p> <p>6. All divisions to be taken by show of hands unless otherwise agreed by a majority of the Members present.</p> <p>7. It shall not be competent to move or give notice to move any motion to rescind, add to, delete from, or alter in any way a decision of the Board for a period of six months, following the decision being taken.</p> <p>8. Should a question arise at any meeting concerning a member of the Committee or any of his family, such a member shall retire from the meeting pending the consideration and decision of the Meeting.</p> <p>9. Any Director desiring to submit a Notice of Motion must place such notice before the Secretary at least two weeks prior to the next meeting for inclusion on the Agenda.</p>
<p><b>8</b></p>	<p><b>Motions not seconded</b></p> <p>1. Motions or amendments made but not seconded shall not be discussed or inserted in the Minutes.</p> <p>2. No dissent or protest shall be competent unless the Member tendering it has made or supported a Motion or amendment on the subject at the time, which has been defeated.</p>
<p><b>9</b></p>	<p><b>Suspension of Standing Orders</b></p> <p>1. The Standing Orders may be suspended pro tempore when it shall appear if two thirds of Members voting to be expedient to take any matter into immediate consideration, and any Member desirous to bring any matter before the Meeting without notice shall only do so after the Agenda has been exhausted.</p>

	<p>2. No business will be discussed unless it appears on the Agenda: however, if there is an item which two or three Members think is worth discussing, they can vote to suspend the standing orders.</p> <p>3. Following any such suspension, the item can be taken at any stage of the Agenda.</p>
<b>10</b>	<p><b>Reading of Standing Orders</b></p> <p>The Standing orders shall be read or held as read at the first meeting succeeding each Annual General Meeting and a copy shall be furnished by the Chairman to each Member of the Board of Directors.</p>
<b>11</b>	<p><b>Chairman to preserve order</b></p> <p>1. It shall be the duty of the Chairman to see that these Standing Orders are observed and otherwise to preserve order, and to secure that every Member shall have an opportunity of speaking and obtain a fair hearing in accordance with the Standing Orders.</p> <p>2. In the event of any disturbance or disorder arising, the Chairman may vacate the Chair and announce the Meeting adjourned, the length of the adjournment to be at the discretion of the Chairman.</p>
<b>12</b>	<p><b>Deputations</b></p> <p>When a deputation is received, it shall be competent for the Members of the Committee to put to the deputation any questions pertinent to the subject on which they had wished to be heard, but no Member of the Committee shall express an opinion or discuss the subject until the deputation had been withdrawn.</p>
<b>13</b>	<p><b>Interpretation by the chairman of Standing Orders</b></p> <p>The ruling of the chairman on any question under Standing Orders or points of order or explanation shall be final.</p>

### **3. DIRECTORS' CODE OF PRACTICE**

Directors are bound by the requirements of the Acts. From time to time the Board have taken decisions resulting in a Code of Practice governing the actions of the directors.

1. The Boards of Directors main roles are to formulate Policy and direction for the Company and to manage the Assets of the Company, ensuring these are kept in good order and are used to further the aims of the Company.
2. All authority of Directors is vested in the Board and must be exercised collectively. Individual Directors have no authority unless specifically conferred upon them by the Board, such authority to be recorded in the Minutes.
3. Official inspections of the property “ The Shop, Carsphairn” shall be arranged in conjunction with the Tenant, and Directors should not undertake inspections without the Board’s consent.
4. Business transacted at the Meetings is confidential and shall be disclosed to third parties only with the consent of the Board.
5. Directors are bound by collective decisions of the Board and must not speak against them outside of Meetings or take any action construed to oppose decisions of the Board without the Board's permission.
6. Where a Director has a personal or financial interest in a question under discussion they must declare that interest and retire from the Meeting while the matter is discussed, unless invited to stay by the Board. Matters affecting all Directors, such as expenses are excepted.
7. Directors are expected to attend general and special meetings of the Members of the Company.
8. Directors are encouraged to undertake training to assist them in carrying out their duties.
9. Directors alleged to have breached the Code Of Practice are liable to dismissal following a vote by the remainder of Directors at a Special Meeting. The Board will write to the Director ahead of the meeting stating the nature of the alleged breach and allowing the Director to make a written reply to be taken into consideration at the Special Meeting. The Board will write to the Director and inform them of the final decision of the Board.
10. Directors will at all times maintain their membership and eligibility for membership. This may be waived by the Board in order to facilitate specialist services.

## 4. POLICY STATEMENTS

<b>1</b>	<b>Aims of the Company</b>  The aims of Carsphairn Village Shop Ltd are:  <ol style="list-style-type: none"><li>1. To ensure the continuation of a village shop situated in Carsphairn for the overall benefit of the residents within the boundaries of Carsphairn Community Council (“the operating area”).</li><li>2. To carry on any other activity which may be advantageously carried out in connection with the above.</li></ol>
<b>2</b>	<b>Directors</b>  <ol style="list-style-type: none"><li>1. The Directors will seek to disseminate all information about the operation and progress of the village Shop to as many of the residents as possible.</li><li>2. The Directors shall seek to encourage the most diverse range of applicants for consideration to be co-opted or elected onto the Board of the company.</li><li>3. The Directors shall seek at all times to balance the needs for the company to remain viable and sustainable with the need to facilitate shop services in the village of Carsphairn.</li></ol>
<b>3</b>	<b>Membership</b>  <ol style="list-style-type: none"><li>1. Membership is open to any individual who is a resident or council tax payer within the boundaries of Carsphairn Community Council (“the operating area”) or whose place of employment or place or business is within the Operating Area.</li><li>2. No employee of the company may become a member: a person admitted to membership shall automatically cease to be a member if he becomes an employee of the company.</li><li>3. Annual membership is £1 and due on or before the year end (30<sup>th</sup> April) preceding the AGM.</li><li>4. Persons may withdraw from membership at any time by writing to the Board. The membership fee is non-returnable.</li></ol>
<b>4</b>	<b>Procurement</b>  <ol style="list-style-type: none"><li>1. The directors shall adopt a procurement policy in relation to the employment of contractors – ie a minimum of 3 estimates will be obtained for each job.</li><li>2. The directors reserve the right to waive this procurement policy in cases where urgent repair work is required providing that the prior agreement of a majority of directors is obtained.</li></ol>

<b>5</b>	<b>Banking</b>  1. The Company shall seek to operate two Bank accounts, at whichever Bank from time to time is deemed most suitable, one for day-to-day business and the other to attract interest on any balances in the Company's possession  2. The total balance in the company's account should not be allowed to fall below £3,000 at any one time except in cases of emergency.
<b>6</b>	<b>Expenses</b>  1. The directors shall be entitled to claim out of pocket expenses for items such as postage, stationery etc. All claims must be counter signed by another director.  2. Expenses claimed by directors in respect of telephone calls must be supported by itemised telephone bills with the relevant calls highlighted.
<b>7</b>	<b>Tenancy</b>  1. The Directors shall encourage the Tenant to undertake necessary training to better enable the Tenant to provide an effective, sustainable service.  2. The directors shall monitor the Tenants performance and make the necessary recommendations. Whilst taking into account the wishes of members as expressed at the AGM or in writing, Directors will seek to balance contemporary business viability with customer wishes in the recommendations made to the Tenants.  3. The tenant will have no right of veto over the appointment of any particular Director.  4. The tenant shall be required to contact the directors of the company on all issues relating to the company's assets prior to taking action.  5. Tenant's investments - Each item must be requested of the Board. An inventory and receipts of work done is to be kept by the tenant and copies supplied to the Board.