

# Articles Paper



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<b>Presented to:</b>	National Council
<b>Date:</b>	27 <sup>th</sup> January 2024
<b>Paper No:</b>	Agenda Item 8
<b>Outcome:</b>	For discussion

## 1. Executive Summary

As part of our ongoing Governance reforms, and to ensure we are honouring Pledge 4 to be a High Performing Governing Body, we established the Articles and Regulations Committee (ARC) (a merged committee of Rules and Process Review Group) and the Articles Working Group (AWG).

The purpose was to review our Articles, to ensure they are fit for purpose. We have had three meetings to date of the AWG, to discuss recommendations from ARC and also proposals from AWG. These are outlined below.

The members of AWG are Joanna Keay-Blyth (JKB) - Head of Governance (Chair), Adrian Christy (AC) - CEO, Adam Edwards (AE) - TTE Legal Representative, Jos Kelly (JK) – Board Member, Estyn Williams (EW) – ARC and Governance & Risk, Neil Le Milliere (NLM)– County Company Member, Rick Jemmott RJ) – League Company Member.

## 2. Reasons for addressing the identified areas

You will see in Appendix 1 that we have currently discussed and agreed on four key areas that need addressing and they broadly fall in the areas below: -

- a. General tidy up** of areas and those identified are highlighted in point **A.** of Appendix 1, but mainly address issues around equality and diversity. (these were agreed unanimously by AWG)
- b. Directors** – As many of you will be aware there is constant referral to ‘they are an Elected Director or an Appointed Director’ and this risks a divide within the Board that shouldn’t exist as every Director has the same fiscal responsibilities. The changes recommended and highlighted in point **B** of Appendix 1 are designed to reduce that divide and highlight that actually the only difference in each Board Member is how they are recruited to the Board, so the changes are designed to provide clarity on a Board Member and then the method on which they are recruited to the Board to fulfil their collective responsibility. (these were agreed by the majority of AWG, except NLM who felt they should remain the same)
- c. County Company Member / National Councillor** – A matter has arisen recently that has highlighted how the current Articles are written and the fact that two different roles for two different organisations are interlinked. The interpretation has led to confusion between the parties involved, and as these Articles are Table Tennis England’s, our intention is to simplify for the County Company Members, particularly in relation to its role with National Council, and particularly their own governance. This will need to be addressed and AWG have identified three options that we believe would address this issue. These are highlighted in point **C** in Appendix 1.

- d. Standing Orders Committee** – not directly related to the Articles as there is nothing in Table Tennis England's Articles in relation to this Committee so doesn't formally form part of our Governance structure, but this has been a long-standing committee in relation to the General Meeting.

As part of the Governance Reforms the Board approved the merging of three committees (Rules, Process Review and Standing Orders Committee) that were all involved in supporting Articles, Regulation or Resolutions or adhering to them in some way. This made the process very elongated and so the intent is to merge these committees to simplify the process but still get the feedback and recommendations from respected knowledgeable volunteers. In Appendix 1 I have attached the paper that went to the Board with further details. NLM also supplied a separate paper in this regard.

### **3. The way forward**

Following consultation with National Council, the AWG are reconvening on the 31 January to discuss the feedback and considerations following this meeting and then put our recommendations to the Board for approval at their meeting on 7 February.

Once we have gained approval from the Board or further considerations ARC will pull these into Resolutions for the upcoming AGM. We will also consult wider at the all Company Members Meeting on the 4 April to gain any further feedback. Should there be a need for further consultation there is scheduled to be another National Council Meeting in April that can be utilised.

### **4. What we are asking from National Council**

National Council are a part of the consultation process on this matter, and therefore is asked to:

- a. Review the considerations within this paper with an open mind as we look at the best way to improve and streamline the governance of Table Tennis England.
- b. If any Councillor is unsure on any element of consideration, please don't wait for the National Council Meeting; please contact me so that I can explain further. I will then include anything discussed prior to the meeting to ensure it is made clearer.
- c. Be ready to share your feedback verbally at the National Council Meeting. This feedback will then be shared with the AWG.

## Appendix 1

### A. General tidy up

Current Article No	Recommended Change	Reason or amend
Inclusiveness	Ensure throughout the Articles they are gender neutral	Look at one resolution to cover all
21 <b>Records of decisions to be kept</b> 21.1	Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, <del>so that they may be read with the naked eye.</del>	has “naked eye” which implies that no person with a visual impairment could have access to the recorded decisions.  The recommendation is to remove the wording highlighted in Red as it is not required
29.1 and 33.4	AGM is used at whereas every other reference is to Annual General Meeting.	It was agreed to make it consistent throughout using AGM or EGM but define the term in the interpretations
3 Interpretation	Chairman – Suggest this should now be changed to <b>Chair</b>	Agreed to consistently change Chairman to Chair through the Articles
4 Objects 4.2	Suggest “governing body” should be changed to <b>“national governing body”</b> as this is the terminology generally used.	
51 Right of appeal 51.1	“decision or action” should be “decision, action or omission	

## B. Directors

Current Article No	Recommended Change	Reason
Interpretation	Remove all reference to Appointed, Elected, co-opted, Elected, Member Elected or Independent Director	<p>The intention is to create cohesion, and not division, across the Board, and varying titles is considered to be a contributory factor to that, whether consciously or sub consciously, when all Directors responsibilities are the same. See note 4 in Appendix A.</p> <p>The Article amends are proposed to focus on a 'Director' and just to highlight how they are recruited to the Board. See new 23.1 section below in Appendix A</p>
18.1	If the Chair is not participating in a directors' meeting within ten minutes of the time at which it was to start the <del>Deputy Chairman the Senior Independent Director shall chair it. In the absence of the Deputy Chairman Senior Independent Director the</del> participating directors must appoint one of themselves to chair it. <del>one of the other openly recruited appointed Directors.</del>	The Chair of the Board needs to be via the appointed recruitment process by an Open and Transparent process Code for Sports Governance - 2.6 The appointment of the Chair and Independent Non-Executive Directors must be via an open, publicly advertised recruitment process
23.1	Company Members shall elect four directors, who shall be titled Member Elected Directors, one of whom shall be nominated by the Member Elected Directors as Deputy Chair and ratified by the Board as such.	Remove and See Appendix A - 23.1.2 of new Recruitment section, that includes 4 via election and the Deputy is covered in 23.5
23.2	Each Company Member shall be entitled to nominate one person for each vacancy to be filled by election.	Remove and See Appendix A that covers this – 23.4 of new Recruitment section
23.3	<del>To be valid a nomination paper must be signed by the Company Member and be received by the person designated by the Board as the returning officer by a date decided by the Board, being not earlier than the fourteenth day after the issue of nomination papers.</del>	Operational Process remove and add to Regulations
23.4	<del>To be effectively nominated a person must be named in at least two valid nomination papers, must have lodged with the Company not later than the closing date for nominations a signed consent to nomination for that office and must not have withdrawn from nomination by a date prescribed by the Board as the last day for withdrawal.</del>	Operational Process remove and add to Regulations

23.5	<del>If the number of effective nominations exceeds the number of vacancies voting shall be by postal or on-line ballot of the Company Members conducted in such manner as the Board shall from time to time decide.</del>	Operational Process remove and add to Regulations
23.8	<del>Nominations received for Elected Directors shall be considered by the Nominations Committee taking account of the candidate's ability, experience and expertise to fulfil the identified role on the Board, and of the need to ensure that the Board has the appropriate</del>	Operational Process remove and add to Regulations
23.6	The vote of each Company Member shall count as the following number of vote units:	Remove and See Appendix A that covers this – 23.4 of new Recruitment section
23.6.1	<u>Director</u> Company Member: 1 unit	Remove and See Appendix A that covers this – 23.4.1 of new Recruitment section.
23.6.2	County Representative Company Member: 1 unit	Remove and See Appendix A that covers this – 23.4.2 of new Recruitment section.
23.6.3	League Representative Company Member appointed by a Local League with 30 or fewer teams in membership: 2 units	Remove and See Appendix A that covers this – 23.4.3 of new Recruitment section.
23.6.4	League Representative Company Member appointed by a Local League with 31-100 teams in membership: 4 units	Remove and See Appendix A that covers this – 23.4.4 of new Recruitment section.
23.6.5	League Representative Company Member appointed by a Local League with 101 or more teams in membership: 6 units	Remove and See Appendix A that covers this – 23.4.5 of new Recruitment section.
23.7	An Elected Director shall hold office for a period of four years that begins on the day on which the position becomes vacant or the day on which the result of the election is determined, whichever is the later; a casual vacancy among Elected Directors shall be filled in accordance with the procedure set out in 23.3-23.6.	Remove and See Appendix A that covers this – 24.1 of new Terms of Office section
24.1 currently Appointed Director section	The Board shall appoint the Chairman, at least three Independent Directors, one of whom it shall designate as the Senior Independent Director, and a number of other Appointed Directors subject to the limit specified in Article 24.4.	Remove and See Appendix A that covers this – 23.3 of new Recruitment section
24.2 currently Appointed	Such directors shall be appointed by resolution of the Board following an open, formal, publicly advertised and transparent selection process by the Nominations Committee, taking account of the candidate's ability, experience and expertise to fulfil the identified role on the	Remove and See Appendix A that covers this – 23.2 of new Recruitment section

Director section	Board and of the need to ensure that the Board has the appropriate balance of skills, experience, diversity, independence and knowledge. All candidates will be presented to the Company Members to vote for their preferred candidate.	
24.3 currently Appointed Director section	Such directors shall be appointed for a term of up to four years.	Remove and See Appendix A that covers this – 24.2 of new Terms of Office section
24.4 currently Appointed Director section	The number of Appointed Directors shall be such that the total number of directors (including the <u>four</u> Elected Directors specified in Article 23 and the Chief Executive Officer) does not exceed twelve.	Remove and See Appendix A that covers this – 23 of new Recruitment section
24.5 currently Appointed Director section	In exceptional circumstances the Board may co-opt a director if it is necessary to ensure that the Board has the skills and experience needed to fulfil its role provided that the total number of directors does not exceed twelve.	Remove and See Appendix A that covers this – 23.6 of new Recruitment section
25.4	For the purpose of this Article a year in office, or a year break in office, for an Elected Director shall be taken as the period between Annual General Meetings.	Proposal is to remove this totally as it was in relation to when the role started and finished at the AGM.
30.7.1	the <u>Director</u> Company Members shall be the Chairman, the Elected Directors, the Appointed Directors, the Chief Executive Officer and the Co-opted Director (if any), who shall automatically be granted Company Membership on election or appointment;	30.7.1 The Director Company Members shall be the directors who shall automatically be granted Company Membership on recruitment;

## Suggested Article changes on recruitment of directors.

### Notes

1. *The Article Working Group agreed, the revised Article states that there are up to 12 directors. This makes it much simpler and easier to understand.*
2. *The definition of Independent using the wording from the Code. This means the term Independent Director is no longer required.*
3. *The terms of office provisions as a separate Article 24 which is more logical and leads more naturally to the next Article 25 'Maximum period in office'. This also avoids the need to renumber all the subsequent Articles.*
4. *As a result of the changes definitions for Appointed Director, Co-opted Director, Elected Director, Independent Director and Member Elected Director are no longer required and the definition of 'Board' can be simplified to 'Board means the directors of the Company'.*
5. *There will also be a consequential amendment to 30.7.1 The Director Company Members shall be the directors who shall automatically be granted company membership on recruitment*

### 23 Recruitment of directors

23.1 There shall be up to twelve directors who shall be recruited as follows:

23.1.1 the Board shall appoint the Chair and up to six other directors,

23.1.2 Company Members shall elect four directors,

23.1.3 the Chief Executive Officer shall be a director.

23.2 The Board shall select the Chair and the other directors it appoints by an open, formal, publicly advertised and transparent process. It shall take account of the candidate's ability, experience and expertise to fulfil the identified role on the Board and the need to ensure that the Board has the appropriate balance of skills, experience, diversity, independence and knowledge.

23.3 The Board shall ensure that at least three of the six directors it appoints are independent and designate one as the Senior Independent Director. A person is independent if they are free from any close connection to the Company and if, from the perspective of an outsider, they would be viewed as independent. A person may still be deemed to be independent even if they are an Affiliated Member and/or play table tennis.

23.4 Each Company member shall be entitled to nominate one person for each vacancy to be filled by election by Company Members. All candidates shall be presented to the Company Members to vote for their preferred candidate and the vote of each Company Member shall count as the following number of vote units:

23.4.1 Director Company Member - 1 unit.

23.4.2 County Representative Company Member - 1 unit.

23.4.3 League Representative Company Member appointed by a Local League with 30 or fewer teams - 2 units.

23.4.4 League Representative Company Member appointed by a Local League with 31-100 teams - 4 units.

23.4.5 League Representative Company Member appointed by a Local League with 101 or more teams - 6 units.

23.5 The directors elected by Company Members shall nominate one of themselves as Deputy Chair subject to ratification by the Board.

23.6 In exceptional circumstances the Board may co-opt a director if it is necessary to ensure that the Board has the skills and experience needed to fulfil its role, provided the total number of directors does not exceed twelve.

## **24 Terms of office**

24.1 The directors elected by Company Members shall hold office for a term of four years that begins on the day on which the position becomes vacant or the day on which the result of the election is determined whichever is the later.

24.2 The Chair and the six directors appointed by the Board shall hold office for a term of up to four years that begins on the day on which the position becomes vacant or the day on which the Board makes the appointment whichever is the later.



## C. County Representative Company Member(CRCM) / National Councillor(NC)

Article 3 defines an NC as the CRCM. Article 30.9 says that a person ceasing to be a National Councillor shall cease to be a CRCM. But the Articles do not say when or how a person ceases to be a NC.

TTE received legal advice that a person that ceased to be a CRCM/NC were no longer a Company Member and therefore as the roles are linked ceased to be a NC but National Council thought they were still a NC.

The Articles Working Party have agreed that the Articles needed to be clarified. The three options identified are below

### Possible Article amendments needed for each option.

#### Option 1

##### **Keeps the positions interlinked**

Make the terms office of CRCMs the same as those of League Representative Company Members (LRCMs). Under this option NC/CRCM would remain a combined position. A CRCM whose company membership was terminated by their county association would also cease to be a National Councillor and vice versa.

#### *Notes*

- 1. This sets out possible amendments to the Articles for each of the options.*
- 2. Words to be added are shown underlined. Words to be deleted are shown struck through.*
- 3. This appendix only covers possible changes to the Articles. Consequential changes and additions to the regulations would probably also be required.*
- 4. Legal advice would be required on the wording before any of the options were adopted.*

#### **30 Application for Company Membership**

~~30.9 A County Representative Company Member ceasing to be a National Councillor shall thereupon cease to be a Company Member and a League Representative Company Member shall cease to be a Company Member if his nomination is terminated by written notice to the Company from the Local League he represents.~~

30.9 A County Representative Company Member shall cease to be a Company Member if their nomination is terminated by written notice to the Company from the County Association which they represent.

30.10 A County Representative Company Member shall cease to be a Company Member if they cease to be a National Councillor and a National Councillor shall cease to be a National Councillor if they cease to be a County Representative Company Member.

30.11 A League Representative Company Member shall cease to be a Company Member if their nomination is terminated by written notice to the Company from the Local League which they represent.

## Option 2

### **Article amendments if it is decided to split out the roles of County Representative Company Member and National Councillor.**

It is expected that counties would generally appoint the same person to both roles but it would be possible for the positions to be held by two different people. Both positions would be appointed by the County Associations. A CRCM could be appointed or removed in the same way as a LRCM but the arrangements for the appointment or removal of NCs would be decided by NC itself.

#### *Notes*

- 1. This sets out possible amendments to the Articles for each of the options.*
- 2. Words to be added are shown underlined. Words to be deleted are shown struck through.*
- 3. This appendix only covers possible changes to the Articles. Consequential changes and additions to the regulations would probably also be required.*
- 4. Legal advice would be required on the wording before any of the options were adopted.*

### **3 Interpretation**

~~**National Councillor** means the County Representative Company Member appointed by a County Association;~~

#### **30 Application for Company Membership**

- 30.7 Subject to their satisfying the requirements of 30.2 and 30.3 above,
- 30.7.1 the Director Company Members shall be the Chairman, the Elected Directors, the Appointed Directors, the Chief Executive Officer and the Co-opted Director (if any), who shall automatically be granted Company Membership on election or appointment;
- 30.7.2 the County Representative Company Members shall be the representatives ~~National Councillors~~ appointed by affiliated County Associations;
- 30.7.3 the League Representative Company Members shall be the representatives appointed by affiliated Local Leagues.
- 30.8 An Director Company Member ceasing to be a director shall thereupon cease to be a Company Member and a director ceasing to be a Company Member shall thereupon cease to be a director.
- 30.9 A County Representative Company Member or ~~ceasing to be a National Councillor shall thereupon cease to be a Company Member and~~ a League Representative Company Member shall cease to be a Company Member if their ~~his~~ nomination is terminated by written notice to the Company from the County Association or Local League which they represent. ~~he represents~~.

#### **36 National Council (unchanged)**

- 36.1 There shall be a National Council consisting of one National Councillor appointed by each County Association.
- 36.2 The duties of the National Council shall be;
- 36.2.1 to act as a channel of communication between the Board and Affiliated Organisations and Affiliated Members;
- 36.2.2 to consider matters referred to it by the Board, Affiliated Organisations and Affiliated Members;
- 36.2.3 to make recommendations to the Board.
- 36.3 The National Council shall prescribe and regulate its own procedures.

### Option 3

#### **That the County Association is the Company Member, and not an individual person**

This is the system operated by many NGBs. Under this option the County Associations and Local Leagues would be company members themselves rather than appointing specific individuals as a Company Member – the County would have the flexibility to nominate a representative and an alternate for Company Member meetings and be the key point of contact for communication purposes.

National Council, as an autonomous body, would make its own arrangements as to who its Councillors are, and how they might be appointed.

#### *Notes*

1. *This sets out possible amendments to the Articles for each of the options*
2. *Words to be added are shown underlined. Words to be deleted are shown struck through.*
3. *This appendix only covers possible changes to the Articles. Consequential changes and additions to the regulations would probably also be required.*
4. *Legal advice would be required on the wording before any of the options were adopted.*

### **3 Interpretation**

~~**National Councillor** means the County Representative Company Member appointed by a County Association;~~

#### **30 Application for Company Membership**

30.1 The number of Company Members is unlimited.

~~30.2 No person shall be admitted a Company Member without the approval of the Board.~~

~~30.3 Every person who wishes to become a Company Member shall deliver to the Company an application for Company Membership in such form as the Board require, signed by him or it.~~

~~30.4 Every person who wishes to become a Company Member must be an Affiliated Member. A Company Member whose affiliated membership lapses may not act as a Company Member pending renewal.~~

30.5 There shall be three classes of Company Members: Director Company Members, County Associations ~~County Representative Company Members~~ and Local Leagues. ~~League Representative Company Members.~~

~~30.6 No one shall be a Company Member in more than one class and no one shall be a Representative Company Member for more than one County Association or Local League.~~

30.7 Subject to their satisfying the requirements of 30.2 and 30.3 above,

30.7.1 the Director Company Members shall be the Chairman, the Elected Directors, the Appointed Directors, the Chief Executive Officer and the Co-opted Director (if any), who shall automatically be granted Company Membership on election or appointment;

~~30.7.2 the County Representative Company Members shall be the National Councillors appointed by affiliated County Associations;~~

~~30.7.3 the League Representative Company Members shall be the representatives appointed by affiliated Local Leagues.~~

30.8 A Director Company Member ceasing to be a director shall thereupon cease to be a Company Member and a director ceasing to be a Company Member shall thereupon cease to be a director.

~~30.9 A County Representative Company Member ceasing to be a National Councillor shall thereupon cease to be a Company Member and a League Representative Company Member shall cease to be a Company Member if his nomination is terminated by written notice to the Company from the Local League which he represents.~~

(i)

**D. Standing Orders Committee**

Below is the paper and recommendations that was approved by the Board

**Governance Structure Committees****Summary**

As part of the ongoing reforms to improve and streamline the governance structure of Table Tennis England, a review has been undertaken on some of the current committees that maybe appropriate to amalgamate to make approval of the key governance decision more efficient.

**Background on the key Committees**

Currently we have three Committees that contribute to the Governance of Table Tennis England and below is outlined the current responsibilities of these committees.

**RULES COMMITTEE**

<https://www.tabletennisengland.co.uk/content/uploads/2021/11/Rules-Terms-of-Reference-April-2021.pdf>

The purpose of the committee shall be:

- To draft TTE articles and regulations as are required, to implement operational and policy changes
- To advise TTE when required on the interpretation of the articles and regulation
- Prepare resolutions for presentation to the AGM

**PROCESS REVIEW GROUP*****No current terms of reference***

- Delegated powers from the Governance and Risk Committee (GRC) to approve non substantive changes to regulations once they had been drafted by the Rules Committee.
- Committee had two Board Members that were part of the Governance and Risk Committee pre the changes to Advisory Committee and a well-respected previous Board Member with many years experience,
- Designed as a critical eye on behalf of GRC ensure best interests of association.

**STANDING ORDERS COMMITTEE**

<https://www.tabletennisengland.co.uk/content/uploads/2021/08/Standing-Orders-Committee-Terms-of-Reference-August-2021-.pdf>

The purpose of the committee shall be:

- To regulate the business of TTE General Meetings that are not the responsibility of the Board through the issuing of Standing Orders
- To protect and ensure that membership rights are respected at General Meetings
- To confer with the Board, the Senior Leadership Team, and the Rules Committee on any matters relating to the Articles, Regulations, or resolutions affecting a General Meeting as well as taking into consideration any legal advice received

## **Article & Regulation Implications**

### **Articles**

- 4.4 To make and publish Regulations and Standing Orders for the regulation of the Company's business, and to take all such steps as shall be deemed necessary or advisable for enforcing them.

### **General Meeting Regulations**

#### **2 RULES COMMITTEE AND STANDING ORDERS COMMITTEE**

2.1 The Rules Committee shall:

- 2.1.1 Advise the Board on the application of the Articles and regulations as requested by the Board or the chair of the meeting.
- 2.1.2 Advise and assist the Board on the agenda and the drafting of resolutions
- 2.1.3 Advise and assist Company Members, if requested, on the drafting of resolutions
- 2.1.4 Advise the proposer and the Board if a resolution or amendment does not comply with the Companies Acts, the Articles or these regulations, and, if appropriate, recommend that the Board takes separate advice.
- 2.1.5 Advise the General Meeting, if requested, on the effect of a resolution if passed.

2.2 The Standing Orders Committee shall:

- 2.2.1 recommend standing orders where the procedure is not specified by the Companies Act or the Articles;
- 2.2.2 give advice on the procedure at the meeting if requested by the Board or the chair of the meeting.

3.7 The Rules Committee may circulate advice with the agenda explaining the effect of a special resolution to amend the Articles.

3.8 Where two or more resolutions are submitted on substantially the same topic the Rules Committee must, before the publication of the final agenda, discuss with the proposers whether they are agreeable to replace them by a composite resolution in the names of all the proposers. Where agreement cannot be reached on a composite resolution, the resolutions shall be discussed together at the General Meeting but voted on separately.

*Note 4: The Rules Committee will advise the proposer of a resolution on a suitable format.*

### **Streamlining the Governance of these Committees.**

#### **Rules Committee**

Is utilised throughout the year on a wide variety of areas, including but not exclusive: -

1. Support for Head of Governance on advice from members, clubs, leagues & counties
2. Redrafting of regulations when change is required whether legislative or operational
3. Review and redrafting of resolutions on receipt (if required) from Company members or Board to submit changes to Articles
4. Liaising with SOC as required ahead of the General Meeting
5. Liaising with Process Review Group on feedback

I believe the importance and overall experience and crossover of the Rules Committee allows for the easy integration of SOC & Process Review Group.

**Recommendation**

To absorb SOC & Process Review Group within Rules Committee but to change the configuration of the Committee to the below.

The configuration of this Committee would give significant experience and oversight of all redrafting and advice with:

- 3 x members of Governance and Risk Advisory Committee
- 3 x members of the current Rules Committee with the overlap of Estyn Williams & Dan Fox
- 1 x member of the Process Review Group
- 1 x member of Standing Orders Committee

This is subject to discussion with each of the members identified to see if they are keen to be part of the new committee and if not additional advertising for other members will be undertaken. I would suggest six members of this committee would be the ideal number with the correct experience.

