

Newport Road Maintenance Limited (NRML)

Newport Road Maintenance Limited
Residential Management Company limited by guarantee / no shares

Company number: 05249263

BY ORDER OF THE DIRECTORS

Date 07/10/2014

Standing Orders in addition to the Articles of Association for Directors and Managing Agents covering:

- Governance Strategy
- Code of Conduct
- Declarations and Conflict of Interest
- Term of Office for Directors
- Directors Succession Planning
- Selection and Appointment of Agents
- Communication Strategy
- Spending Authority and Limits
- Leaseholder communications / requests

Governance Strategy

To ensure that the Directors are able to demonstrate good corporate governance the following strategy will be implemented;

- The Managing Agents appointed at the time shall be nominated as the Company Secretary of NRML duly authorised to communicate with

Companies house on Accounts, change in Directors from time to time and any other relevant matters.

- Company accounts will be filed at Companies House in line with the Regulations in place at the time.
- To ensure appropriate financial accountability a financial report shall be made at the AGM
- Performance metrics shall be implemented with responsibilities identified for Directors and Staff employed or in Office and the Managing Agents appointed at the time.
- Staff shall benefit from an annual Performance and Remuneration Review prior to setting the Budget. Any awards granted will be effective from the 1st January each year.

Code of Conduct

Directors Agents and staff will at all times conduct themselves following the following principles:

The Seven Principles of Public Life

Selflessness

Directors and Agents should take decisions solely in terms of NRML's interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity

Directors and Agents should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out company business, including making appointments, awarding contracts, or recommending individuals for rewards and benefits, Directors and Agents should make choices on merit.

Accountability

Directors and Agents are accountable for their decisions and actions to the members of the company and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Directors and Agents should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider interest clearly demands.

Honesty

Directors and Agents have a duty to declare any private interests relating to their duties and to take steps to resolve any conflicts arising in a way that protects the Company.

Leadership

Directors and Agents should promote and support these principles by leadership and example.

Breach of principles

Any breach to be managed to a satisfactory conclusion at the time of occurrence. Resolution to be agreed by all parties.

Declarations and Conflict of Interest

Directors

- Director shall inform the company secretariat of any interests that could result in a conflict of interest in performing their duty in relation to NRML
- The secretariat will keep a register of all declarations.
- Should a conflict of interest arise, the Director shall inform the secretariat and withdraw from any discussion, action or decision making where a conflict has been identified.

Agents

- The Agent shall inform the Board of any conflict of interest
- The Board and Agent shall consider the conflict and agree a strategy for dealing with the specific matter.

Conflicts Identified

- Any Conflicts that arise shall be resolved as and when identified.

Board Membership & Agents Term of Office

The Board shall comprise of 5 members appointed at the AGM.

All Directors registered at Companies House must be active within the Board; there will be no other Directors of the Company

Directors will lead on specific areas, working with the Managing Agent

Directors and Agents shall serve a maximum term of office of 3 years and retire in rotation to ensure continuity within the Board.

Members shall elect Directors for a 3 year term at an AGM

Directors and members shall elect a Chair at an AGM

There will be No restriction on Board members seeking re-election.

Directors Succession Planning

Members of the company shall have the opportunity to become Directors of the company subject to the following requirements being met;

- There is a proposer and seconder for the nomination made by 2 other independent company members.
- That the proposed Board member agrees to be bound by the Code of Conduct.
- That the Proposed Board member serves a probationary period with the Board of no less than 1 meeting prior to election at the AGM and 2 meetings after.
- That the current elected Board are satisfied that the proposed member will fully represent the best interests of the Company.
- That the Proposed member has the confidence of members at the AGM where a vote will be taken prior to the member being appointed as a Director of NRML Board. Directors reserve the right to speak in support or against the nomination at the AGM prior to the vote being taken.

A call for new Board members will be made as and when vacancies arise through normal communication channels.

Managing Agents Appointments and Term of Office

Agents are to be appointed following competitive tender process which will include evaluation of cost and performance.

Directors reserve the authority to select a managing agent based on the best tender which may not necessarily be the lowest cost bid.

Agents appointed will serve a one year probationary period.

On successful completion of the probationary period, Agents will be appointed annually for a further 2 years making for a 3 year appointment.
Directors shall test the Market every 3 years to ensure that the Agent delivers Best Value and Performance through competitive Tender.

There shall be No restriction on the current appointed agent retendering for the position.

There shall be No restriction on the Board in reappointing the Agent in charge subject to a successful bid through a Tender process.

The Managing Agent shall also be appointed as the Company Secretary.

Communication and Meeting strategy

To ensure timely and appropriate decision making Directors will implement the following strategy;

- Board meetings will be via Skype or on site when appropriate.
- Meetings to be held at a minimum of Quarterly Intervals or when business demands.
- Minor issues to be resolved via email communication.
- Emergency Board meetings to be called if and when necessary.
- Communication with Members via Web site or direct mailing as appropriate.
- There will be 2 reports to members each year, the Annual Report to be presented at the AGM and an Interim report to be distributed with the second annual Management fee request. Both reports to be published on the Web site.
- A minimum of Two Directors will form a Quorum as identified in the Articles of Association.
- Decisions made by those members participating in email Skype or site meetings to be binding on all provided there are sufficient participants to form a quorum when decisions are made.

Expenditure Sign-Off Limits

To ensure appropriate control of expenditure while ensuring the maintenance of the Building can proceed without undue delay Directors will implement the following strategy;

- The managing agent to have full authority to pay staff, bills and scheduled maintenance actions identified in the annual service charge.
- The managing agent has authority to spend up to £1000 on materials and equipment required for the up keep of the building not specifically itemised in the service charge.
- The Managing agent plus any two directors have authority to spend up to £3,000 on materials and equipment required for the up keep of the building not specifically itemised in the service charge.
- All expenditure to be justified with any large expenditure to be accounted to and be approved by the Board.
- Spending limits are suspended where work is required to safeguard and protect Building and Estate. i.e. in case of fire or any other emergency requiring immediate action.

Leaseholder communications / requests

All members shall have the right to request the Board of NRML to consider any matter relating to the Company.

- This must be submitted in writing to the Company Secretary.

- The Board will consider any such matter at its earliest convenience and make an appropriate response through the Company Secretary. The Board may at its discretion invite the member to participate at a Board meeting where the specific matter is to be discussed.

All members shall have the right to receive a summary report of the service charge costs in line with Section 21 of the Land Lord and Tennant Act 1985 (The Act)

- Any Member seeking a detailed inspection of the accounts in line with Section 22 of “The Act” shall do so by appointment at the Managing Agents Offices.
- The member shall list all documents to be inspected.
- All information shall be made available in line with Case Law (Taber v Mac Donald 1999)
- Copies of documents that are allowed to be inspected may be taken at the time of inspection.
- The Managing Agent shall only allow inspection and appropriate copies of documents to be taken at the time of inspection at their premises.
- The Managing Agent will advise the Board of Directors of the work and their possible management costs involved (as charged directly to NRML) should charges be liable prior to undertaking any such works.