

26. Methodist Independent Schools Trust (MIST): Revision to Articles of Association

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The Methodist Independent Schools Trust (MIST) proposes revisions to its Articles of Association so that governance improvements are delivered. This follows an Independent Governance Review undertaken by DCO Partners which made useful recommendations to continuously improve MIST's governance and effectiveness. The development actions are already being progressed. The constitutional recommendations are reflected in this report. The changes are administrative in nature and do not require any prior Charity Commission consent.

The Articles have been reviewed by Farrer & Co. They have confirmed the proposed amendments are in order, and appropriate from a legal perspective.

Trustee Board composition

In pursuance of best practice, the Independent Governance Review recommended that the Trustee Board composition be changed so that conflicts of interest are removed. This related to Chairs of Governors ceasing to be Trustees, and School Heads attending MIST governance meetings by invitation only.

The removal of Chair of Governor Trustees means that there are three gaps on the Trustee Board. To ensure that the Board remains strong and effective, these three places will be redistributed to the Nominated Trustee grouping. For the avoidance of doubt, the Trustee Board will continue to incorporate:

- a) One-third of its membership as Methodist Church Members, Connexional Council Trustees, and/or Methodist Church Ministers / Officers, and
- b) The continuing commitment in Article 3.2 for all Trustees to support MIST's charitable Objects of advancing education in accordance with the Methodist Church Principles.

These changes are reflected by:

- c) replacing Articles 3.2, 3.4, 3.6, 4.7 and 5 as set out below, and
- d) deleting the existing Articles 3.7 and 4.8 regarding Chair Trustee status and School Heads attendance rights.

To ensure good communications moving forward, MIST has refocused its governance and engagement programme. Furthermore, the Trustee Board retains the right under existing Article 4.10 to invite individuals to attend and contribute to Trustee meetings. This will include Chairs of Governors, School Heads and other personnel when it is prudent to draw on their advice and experience.

Conduct of business

To facilitate the efficient discharge of routine business, Article 4.5 has been amended so that trustee written resolutions are approved by simple majority. This reflects the same decision making and quorum threshold as that of decisions taken in a meeting.

The new Governance Framework improves MIST's conduct of business which supersedes the existing Instruments of Government and associated procedures. The Framework delivers several Governance Review recommendations and actions.

The amendment to Article 15.1 adopts the Connexional Legal Team's helpful advice on evidencing Conference resolutions.

Housekeeping updates will be made for any consequential renumbering that is required. Any superseded clauses and definitions will be deleted.

REVISED ARTICLES

The following table sets out:

- a) the revised articles, and
- b) the draft special resolution that will be put to the Members of MIST on receipt of approval from the Conference.

Clause	Provision
3.2	The Trustees, when complete, consist of at least eleven and not more than 17 individuals over the age of 18, all of whom must support the Objects and of whom at least one third shall be members of the Methodist Church, officers or ministers of the Methodist Church and/or Connexional Council Trustees.
3.4	The Trustees shall be appointed by the Conference and shall consist of the following:
3.4.1	the Chair;
3.4.2	no more than six Connexional Council Trustees;
3.4.3	one person nominated by the District Chairs; and
3.4.4	no more than nine Nominated Trustees.
3.6	The Chair, the Connexional Council Trustees, the one person nominated by the District Chairs and the Nominated Trustees may be reappointed at the expiry of their terms of offices provided that no such Trustee may serve more than three consecutive terms other than in exceptional circumstances.
4.5	Any issue may be determined by a simple majority of the votes cast at a meeting, or a resolution in writing agreed by a simple majority of the Trustees (other than any Conflicted Trustee who has not been authorised to vote) is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document.
4.7	The Chief Executive Officer, Executive Director(s) and Company Secretary shall be entitled to attend and speak (but not vote) at meetings of the Trustees but may be required to withdraw from any such meeting at the request of the Chair.
5	Trustees' powers
5.1	The Trustees have the following powers in the administration of the Charity in their capacity as Trustees:
5.2	to appoint (and remove) any person (who may be a Trustee) to act as Secretary in accordance with the Companies Act;
5.3	to appoint a Deputy Chair and other honorary officers from among their number;
5.4	to delegate any of their functions to committees consisting of two or more individuals appointed by them including, without limitation, a Governance Committee;
5.5	to delegate any of their functions in relation to each School to a Committee of Governors for each School, pursuant to the Governance Framework;
5.6	to establish and support Heads Meetings, and Chairs Meetings and Bursars Meetings and any other meetings the Trustees consider necessary to inform and enhance the Charity's work;
5.7	to make standing orders consistent with the Articles and the Companies Act to govern proceedings at general meetings;
5.8	to make rules consistent with the Articles and the Companies Act to govern their proceedings and proceedings of committees;
5.9	to make regulations consistent with the Articles and the Companies Act to govern the administration of the Charity and the use of its seal (if any);
5.10	to establish procedures to assist the resolution of disputes or differences within the Charity; and to exercise in their capacity as Trustees any powers of the Charity which are not reserved to the Members or to Conference under these Articles or the Companies Act.
15.1	The following matters shall require the consent of the Conference whose consent shall be evidenced by either (a) a resolution signed by the President of the Conference, or (b) a certificate signed by a properly authorised officer of the Methodist Church:
15.1.1	any alteration or variation to the Articles of Association; and
15.1.2	the consideration of any resolution for the Charity's winding up or seeking the appointment of an administrator (unless the Charity shall have become insolvent).

Clause	Provision
16	Interpretation and Definitions Bursars mean the bursars of the Schools. Bursars Meeting means meetings of the Bursars held in accordance with the terms of reference for Bursars Meetings promulgated by the Charity, and as amended from time to time. Chairs of Governors means the chairs of the governing bodies of the Schools. Governance Framework means the Governance Framework protocol (incorporating any Instrument of Government matters) from time to time promulgated by the Charity specifying the powers and duties delegated to the respective administrative governing bodies for each of the Schools. People & Governance Committee means the governance and nominations committee which meets in accordance with the terms of reference for the Governance Committee promulgated by the Charity and as from time to time amended.
The changes will incorporate consequential renumbering of clauses and the deletion of superseded clauses and defined terms.	

A copy of the Articles, showing these amendments, is available on request.

SPECIAL RESOLUTION TO BE PROPOSED FOLLOWING CONFERENCE APPROVAL

SPECIAL RESOLUTION - That the attached Articles of Association be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

In accordance with Company Law, the updated Articles will be filed at Companies House and the Charity Commission.

*****RESOLUTIONS**

26/1. The Conference received the Report.

26/2. The Conference approved the revisions to the Articles of Association for the Methodist Independent Schools Trust as set out in the Report.

ADDENDUM

In addition to the revisions set out in the report, the following additional revisions are also proposed.

- All references to "Conference" should be amended to "the Conference".
- The "Deed of Union" should be a defined term, as it is referred to in several places in the Articles.
- The Methodist Church Union Act 1929 was repealed by the Methodist Church Act 1976 and is no longer relevant. The Methodist Church [in Great Britain] is now constituted and governed by the Methodist Church Act 1976 and the Deed of Union of 1932. Various amendments to the definitions are required as a result.

Clause	Provision
5.10	...or to the Conference under these Articles...
14.1	... as the Conference shall resolve provided that preference is given by the Conference to applying such assets...
15	Heading: "Powers reserved to the Conference"
15.2	The Conference may by resolution direct that the School properties administered by the Methodist Schools Property Company shall be used for other charitable purposes being the advancement of education or otherwise for such purposes in

	connection with the promotion of the charitable objects of the Methodist Church as the Conference shall direct provided that preference is given by the Conference to the School properties being used for the advancement of education in accordance with the Principles of the Methodist Church and in the event of such resolution being passed by the Conference MIST shall take any necessary action (in its capacity as sole member of the Methodist Schools Property Company or otherwise) to ensure the direction of the Conference is followed within a reasonable time period.
16.2	... the Conference means the governing body of the Methodist Church, meeting annually and whose powers and duties are set out in the Standing Orders of the Methodist Church and constituted under and by virtue of the ~~Methodist Church Union Act 1929~~ Methodist Church Act 1976 and the Deed of Union. ... <i>the Deed of Union means the Deed of Union of 1932 executed in pursuance of the Methodist Church Union Act 1929.</i> ... Methodist Church means the denomination formed under the Methodist Church Union Act 1929 and now governed by the Methodist Church Act 1976 and the Deed of Union. ... President of the Conference means the President of the Conference as described in the Deed of Union ~~of the Methodist Church.~~