Draft Articles of Association 2026

Explanatory Notes

Attached is my working draft of the proposed new Articles of Association

I have reviewed the Articles of a number of BIDs in Scotland and this draft is mainly based on those of the Aberdeen BID, which they reviewed and updated in 2024, and also the recently formed Glasgow City Centre BID

As usual with such a document, most of the content is technical and sets out detailed provisions as to the running of meetings, the appointment of members and directors and their conduct

This note highlights the most relevant points here, in relation to the issues we have been discussing in recent months

Objects – section 3 – this highlights the objectives of the company, and is important later in relation to the duties and responsibilities of members and directors

Sections 5.3 and 5.4 clarify that directors are volunteers and do not get paid for their roles as directors, however they can be paid expenses and for other services that they may render to the company e.g. in my case the Liaison Officer role for which I am paid as a consultant

Sections 7 to 13 cover who can be a Member of the company and what are their duties and responsibilities. Section 7.2 in particular places a duty on each member to support and promote the objects and interests of the company

Section 8 clarifies that both full BID levy payers and voluntary members of the BID can become members of the company.

The details of how to become a member are contained in Section 9. One thing that is common in ALL the BID articles I have read is that there is a process for a BID levy payer to have to apply to become a member of the company. Although there is an argument for automatic membership when someone becomes a levy payer, I think that it is better to leave things as they are, especially as Section 12 provides for cases where members can be expelled, e.g. for non-payment of BID Levy

Section 9.2 (which has been copied and pasted from the Aberdeen document) provides for a BID Levy payer to appoint an Authorised Representative to act on their behalf. I am still not 100% happy with the clause as I think there should be more detail of how such a representative should be appointed by a company or partnership, but we can take that up when we get legal advice on the draft

Sections 14-17 set out the procedures and conduct of general meetings including the AGM

The all-important quorum requirement is set out in section 18.1 and is 10 members present in person, or by their Authorised Representatives, or from whom proxies have been received

The appointment of directors, their duties and responsibilities are set out in **sections 18-29**

The minimum number of directors is 3 and the maximum is 12 (18.1)

Other directors can be co-opted to the Board from outside the BID and representatives from the Council and other organisations may be invited to attend meetings

Directors may be appointed by the Board, and then need to be ratified at the next AGM. Directors need to be re-elected at the AGM every three years

The quorum for a directors meeting is two

The directors may appoint a vice-chairperson and other office holders as they deem appropriate (section 25)

Finally, **section 31.3** confirms that no member except a director has the right to see any of the company's "internal" documentation

Next steps: as I have said this is a working draft and I am happy to consider any further amendments

The next step will be to discuss the draft with a solicitor and also take advice in the procedure that we need to go through to pass a resolution at a general meeting and have them recorded at Companies House

JT 11.6.26