

Thamesway Group Protocols

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Protocol Group

Thameswey Group Protocols

1. Protocol Group

~~At the Thameswey Ltd Board meeting held 15th February 2011 the Chairman explained that he felt the Thameswey Limited Board should have more information on all subsidiary companies activities. The Thameswey Group Protocol has been introduced in order to ensure good governance and management of the Thameswey Group of Companies. It has been agreed and is reviewed by was agreed that a Working Group was the best way to create protocols for this purpose. Board Members were encouraged to send any suggestions for consideration to Barry Maunders. Members of the Working Group were Steve Bonsor, Cllr John Kingsbury, Barry Maunders and John Thorp. It is suggested that the Protocol Group meet annually to review the operation of the protocols as part of the business plan approval process appointed by the the Council in its role as Group Shareholder.~~

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2. Introduction

The Thameswey Group of companies (“Company” or “Group”) focuses on the development and management of projects that increase the use of sustainable energy, tackle fuel poverty, reduce water waste and encourage green transport both inside and outside the Borough of Woking, provide affordable homes and develop land and property in support of the Council’s strategies. The Thameswey Group is committed to benefiting the sustainable economic development of the Borough of Woking.

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To the extent permitted by law, no Thameswey company shall undertake any project or activity to the detriment of the Woking Borough Council (“Council” or “WBC”) or the wider interests of the communities which it serves.

3. Financial reporting and records

Thameswey prepares and maintains its accounts in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the UK. Thameswey’s management practices and business

conduct benefit the localities and communities in which it operates, to the extent possible and affordable, and are in accordance with the agreed strategies of the Council.

Internal accounting and audit procedures reflect all of the company's business transactions and disposition of assets, and has internal controls to provide assurance to the company's board, shareholders and stakeholders that the transactions are accurate and legitimate. All required information is accessible to company auditors and other authorised parties and the Council.

Thameswey operates under a system of delegated authority which is reviewed annually to ensure it remains relevant and fit for purpose.

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~~There are no willful omissions of any company transactions from the books and records, no advance income recognition and no hidden bank account and funds.~~

4. Performance and Financial Monitoring Information

The Thameswey Group has been organised and resourced to prepare full financial activity reports as part of the statutory accounts and at Board meetings (currently 3 times a year), quarterly, but with theKey information, set out in (5) below is to be prepared for inclusion in the Council's Green Book on a monthly basis. ~~Board meetings are held quarterly and WBC settles accounts with Thameswey Housing Limited and Thameswey Developments Limited on a quarterly basis. It is therefore proposed that the Thameswey Group continue reporting primarily on a quarterly basis. The Thameswey Limited also provides a Mmonthly performance report to all Boards setting out key financial standing of the company and its subsidiaries, recent activity and key performance indicators. This monthly report is regularly reviewed by the Thameswey Limited Board.~~

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5. ~~Suggested~~ Key Performance Indicators (KPIs) for all Thameswey companies

With comparisons to approved budget:

- i. New lending
- ii. Loan and Interest Payments
- iii. Sales
- iv. Capital Expenditure
- v. Employee numbers

6. Political non-alignment

Subject to all applicable legal obligations, Thameswey is committed to supporting the constitution and governance systems of the Council. Thameswey does not support any specific political party or candidate for political office. The company's conduct precludes any activity that could be interpreted as mutual dependence / favour with any political body or person, and does not offer or give any company funds or property as donations to any political party, candidate or campaign.

7. Cooperation between Thameswey companies

Thameswey companies cooperate with other Thameswey group companies including applicable joint ventures, by sharing knowledge and physical, human and management resources.

In the procurement of products and services, a Thameswey company gives preference to other Thameswey companies, subject to relevant EU procurement rules, and as long as they can provide these on competitive terms relative to third parties.

8. Public representation of the company and the group

The Thameswey group, in all its public appearances (with respect to disclosing company and business information to public, constituencies such as the media, the financial community, employees and shareholders), may be represented by any director and/or specified employee as approved from time to time by the respective company board.

9. Third party representation

Parties which have business dealings with the Thameswey group but are not members of the group, such as consultants, contractors and suppliers, are not authorised to represent a Thameswey company without the written permission of the Thameswey Limited board.

Third parties and their employees are expected to abide by the Group code of conduct in their interaction with, and on behalf of, a Thameswey company. Thameswey companies are encouraged to sign a non-disclosure agreement with third parties to support confidentiality of information.

10. Use of the Thameswey brand

The use of the Thameswey name and trademark shall be governed by manuals and agreements issued by Thameswey. No third party or joint venture shall use the Thameswey

brand to further its interests without specific authorisation from the board of Thameswey Limited or its authorised officer.

~~We will ensure that everyone working on our projects uses our~~ The brand ~~should be~~ consistently ~~used~~ in all published material and communications. An administrator will be tasked to oversee the use of the brand identity to ensure consistency and training will be arranged if needed. Any new staff will be offered a short induction session on correct use.

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11. Protecting company assets

The assets of a Thameswey company shall not be misused; they shall be employed judiciously for the purpose of conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials and resources, as well as intangible assets such as information technology and systems, proprietary information, intellectual property, and relationships with customers and suppliers.

12. Group Policies

The shareholders of each Thameswey company shall recommend its board of directors adopt the policies and guidelines periodically formulated by the Thameswey Limited board. ~~Thameswey Limited operates and has approved a scheme of delegation which empowers officers of the group to make operational decisions, including committing to contracts and expenditure, within prescribed limits.~~

13. Intra Group Communications

Members of the board of Thameswey Ltd. will receive agendas, minutes and reports from each of its subsidiary's board meetings, as soon as they become available. ~~In order to accommodate this, a gap of at least 10 working days between meetings of all subsidiary boards and the subsequent Thameswey Limited board meeting in the same cycle, should be arranged.~~

14. The Shareholders

Thameswey Limited and its subsidiaries shall be committed to enhancing shareholder value and complying with all regulations and laws that govern shareholder rights. The board of directors of a Thameswey company shall inform its shareholders about all relevant aspects of the company's business.

15. Corporate citizenship

A Thameswey company shall be committed to good corporate citizenship, not only in the compliance of all relevant laws and regulations but also by actively assisting in the improvement of quality of life of the people in the communities in which it operates. The company shall encourage collaboration with community groups.

A Thameswey company shall not treat these activities as optional, but should strive to incorporate them as an integral part of its business plan.

16. Conduct

Thameswey supports the following principles of public life and the culture of the business is one of honesty and opposition to fraud and corruption. These principles are reflected in our procedures and ways of working.

There is an expectation and requirement that all individuals and organisations associated with Thameswey in whatever way, such as contractors, partners and suppliers, will act with integrity and that directors and staff at all levels will lead by example in these matters ensuring adherence to legal requirements, financial regulations, codes of conduct, procedures and professional practice.

Selflessness: Thameswey should never improperly confer an advantage or disadvantage on any person.

Honesty and Integrity: Thameswey directors and staff should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

Objectivity: Thameswey directors and staff should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

Accountability: Thameswey directors and staff should recognise that they are part of a body which is accountable to the public for their actions and the manner in which they carry out their responsibilities and should therefore co-operate fully and honestly with any scrutiny appropriate to their office.

Openness: Thameswey directors and staff should be as open as possible about their actions and those of their authority, and should be prepared to give reasons for those actions.

Personal Judgment: Thameswey directors and staff may take account of the views of others but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

Respect for Others: Thamesway directors and staff should promote equality by not discriminating unlawfully against any person, and by treating people with respect regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the integrity of the statutory officers of WBC and all employees of Thamesway companies and WBC.

Leadership: Thamesway directors and staff should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves confidence in the actions and operations of the Thamesway Group.

17. Concurrent employment

~~The boards of each Thamesway company shall, subject to all applicable laws, exercise all reasonable endeavors to procure that the employment contracts of Thamesway company employees restrict such employees from accepting employment or a position of responsibility (such as a consultant or a director) elsewhere.~~ Councillor Directors and Independent Directors will be required to notify the company of ~~external~~such appointments but do not require prior approval. Where such appointments would put a director in a position where his interests would be conflicted, they may be approved in advance by either a resolution of the shareholders or, where a company's articles of association permit, by the board of the Thamesway Company concerned.

18. Communication by Thamesway with Council committees and Councillors

The Board attaches great importance to maintaining good relationships with all shareholders, who are kept informed of significant company developments.

- a) All Councillors will have access to all agendas & reports -subject to commercial confidentiality ~~and as such need to have signed a current Non Disclosure Agreement prior to receiving any paperwork board papers or attending meetings. To do this the Group shall adopt the same Part 1 & Part 2 agenda split arrangements that the Council does in its meetings/papersoperates.~~

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- b) To aid transparency, Thamesway will list dates of Board meetings on the Thamesway web site.
- c) Summary briefings will be given to Councillors and presentations will be made of the ~~mid~~ financial year results to date against the Thamesway business plan ~~and at the same~~ time ~~of as~~ the annual business plan approval. ~~This ese~~ briefings will include a summary of previous period activity and expectations for the forthcoming period. Other meetings to discuss company direction will be held on an ad hoc basis. Regular dialogue will help to ensure that the company's strategy is understood and that any queries or other issues are addressed in a constructive way.
- d) All company announcements and presentations (subject to confidentiality arrangements) will be made available on the Thamesway website which should also contain ~~corporate~~ corporate and customer information information and information for customers, updated on a regular basis ~~and together with~~ answers to frequently asked questions.

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The ~~managing director~~ chief operating officer, ~~group finance director~~ chief financial officer and ~~other~~ directors should be closely involved in shareholder relations and report back to the board the views of WBC and any communication from WBC to ensure that, both executive and non-executive directors, have an understanding of the view. The chairman and the other directors are available to meet the major shareholder on a mutually agreed basis. The board seeks to encourage a more active interest and contribution from shareholders.

19. Board Governance

A company board should not be so large as to be unwieldy. The boards should be of sufficient size that the balance of skills and experience is appropriate for the requirements of the business and that changes to the board's composition can be managed without undue disruption.

To ensure that power and information are not concentrated in one or two individuals, there should be a strong presence on all boards of Independent, Councillor and Officer Directors. Accordingly Group Company Boards should seek to achieve the following proportions, 1 Independent director, 1 Councillor Director and 2 Officer Directors but in any case Officer Directors must not be in the majority.

The Thamesway Ltd. board will appoint one of the Independent directors to be the Chairman of the Board. The Chairman will be accountable to the shareholder if it has concerns on any matter in respect of which contact through the normal channels of ~~managing director or finance~~

~~director~~chief operating officer and chief financial officer, has failed to resolve or for which such contact is inappropriate.

Whilst recognising that most shareholder contact is with the ~~managing director~~chief operating officer and ~~finance director~~chief financial officer, the chairman and other directors as appropriate will maintain sufficient contact with WBC to understand its issues and concerns.

- a) The Chairman will ensure that the views of the shareholder are communicated to the Thameswey Ltd. board as a whole. The Chairman and WBC may discuss governance and strategy. Independent directors should be offered the opportunity to attend meetings with WBC. The Chairman will attend sufficient meetings with a range of representatives of WBC to listen to their views in order to help develop a balanced understanding of the issues and concerns of WBC.
- b) Subject to them having completed and submitted in advance, a Non Disclosure Agreement: -
 - i. The agendas of board meetings of Thameswey Limited and its subsidiaries shall be available to Members of the Council; and
 - ii. Members of the Council may attend board meetings as observers, by prior written notification to the Chairman of the relevant board.
- c) Subsidiary Company boards must submit any new proposals which cause changes to the Council Approved Thameswey Group Business Plan to Thameswey Limited which, if it supports the proposal, ~~will~~may recommend accordingly to the WBC Executive for consideration and recommendation thereon to the Council for approval.

20. Composition of the Boards

The respective Company boards should comprise of the following Directors and be reviewed annually by the Council: -

Thameswey Limited (Group Holding Company)

Councillor Directors

The Leader of the Council, or his/[her](#) nominee, who must be a Member of the Council's Executive

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Council Directors appointed to the Board of any subsidiary

Independent Directors

~~Three~~ Independent Directors recruited by the Council

Officer Directors

The Chief Executive of the Council

Officer Directors appointed to the Board of any subsidiary

Subsidiary Companies within the Thamesway Group

Councillor Directors

The Leader of the Council, or his/her nominee, who must be a Member of the Council's Executive

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The Member of the Council holding the Portfolio for the relevant area of the Council's business

[Any other Member of the Council](#)

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Independent Directors

Up to two Independent Directors

Officer Directors

Up to two Officer Directors

~~Additional Director~~

~~The Managing Director of Thamesway Limited~~

Associated Companies

Where Thamesway Limited has less than 51% of the shares of an Associated Company the composition of the board will be determined by the Council, or in accordance with the arrangements determined by the Council. ~~when the Company is established~~

Election of Chairman

Thamesway Limited and its subsidiaries shall ensure that an Independent Director is elected Chairman of the respective Company.

Quorum

A quorum for each board meeting shall be ~~at least the greater of 40% of the membership of the board or~~ three directors which must comprise at least 1 Independent Director, 1 Councillor Director and 1 Officer Director of the relevant board.

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Alternate Directors

All Directors of subsidiary companies may appoint an Alternate Director of the same Director class (Independent, Councillor or Officer) in the event that he/she cannot attend a board meeting. The Alternate Director must be a Director of Thameswey Limited.

Additional Directors

The shareholder of a Thameswey Group subsidiary may appoint an Additional Director in the event that a director of the subsidiary is absent and has not appointed an Alternate Director. The Alternate Director must be a Director of Thameswey Limited.

The shareholder of Thameswey Limited may appoint an Additional Director in the event that a director of Thameswey Limited is absent and has not appointed an Alternate Director.

21. Company Board Meetings

Company board meetings will usually be held in person. In the event that exceptional circumstances necessitate a paper, email, telephone, video, electronic or other form of meeting permitted by the Articles or Company law, the Company shall in the notice of the meeting state the reasons for the meeting in a different form and record in the minutes of the said meeting the reasons and the decision reached at the meeting. The minutes of the said meeting will be published as soon as possible and reported to the next normal board meeting of the Company.

~~22. Listing of Group companies~~

~~This Protocol will apply to Thameswey Limited and its subsidiaries and associated companies as determined from time to time. At 28th November 2014 the Thameswey Group Companies are: — Thameswey Energy Limited (TEL); Thameswey Central Milton Keynes Limited (TCMK); Thameswey Sustainable Communities Limited (TSC); Thameswey Housing Limited (THL); Thameswey Developments Limited (TDL); Thameswey Solar Limited (TSL); Thameswey Guest Houses Limited (TGHL) and Thameswey Maintenance Services Limited (TMSL).~~

~~23.22. Website communication~~

To the extent possible to preserve commercial confidentiality, Thameswey Group company agendas and minutes will not be published on the Group website.

~~A management report will be published quarterly.~~

End