

ACADEMY OF MEDICAL SCIENCES

(the Academy)

Note of principal changes made to the governing documents in changing from a Charitable Company to a Royal Charter Body

(A) BACKGROUND

- (1) The Academy is currently established as a **company limited by guarantee** and is governed by its Memorandum and Articles of Association and its Standing Orders.
- (2) A Royal Charter Body has a layered constitution as follows:-
 - (i) the **Royal Charter** – which sets out the name, objects, powers and trustee benefit clauses. This can only be amended by the Privy Council;
 - (ii) the **Bye-laws** - which contain the next layer of administrative procedures. Any changes to the Bye-laws must be approved by the Fellows and the Privy Council;
 - (iii) the **Regulations** – containing the detailed rules and procedures. The Regulations can be amended at any time by the Council (and do not need to be approved by the Fellows or the Privy Council).
- (3) So far as possible in drafting the Constitution, the detailed provisions (which may be required to be amended or updated in the future) have been left to the Regulations. The limit to this is that the Privy Council expects the Charter and Byelaws to contain a certain minimum level of administrative procedures, so as to safeguard the organisation.

KEY to the references in the various constitutional documents

	<u>Charitable Company</u>		<u>Charter Body</u>
Mem.	Memorandum of Association	CT.	Charter
AA	Articles of Association	BL	Bye-Laws
SO	Standing Orders	Regs.	Regulations

1. MEMORANDUM OF ASSOCIATION

1.1 Objects (Mem.3; Ct.3)

There are no changes to the charitable objects of the Academy.

1.2 Powers (Mem.4; Ct.4)

The new powers contained in the Charter are broadly the same. However, we have used this opportunity to:

- 1.2.1 make amendments to existing powers to reflect current circumstances (e.g. we have added references to online material);

1.2.2 clarify and/or expand on the provisions of existing powers (e.g. the power to co-operate with other charities, voluntary bodies and statutory authorities has been expanded to include fostering relations with organisations or bodies, whether charitable or not and whether in the UK or not); and

1.2.3 add new powers, specifically those of:

- (a) promoting excellence and opportunities in education and training in the field of medical sciences;
- (b) encouraging the maintenance of scholarship and scientific integrity in all matters of interest to the Academy;
- (c) engaging with and giving advice to the Government in matters of medical sciences;
- (d) awarding the title 'Fellow of the Academy of Medical Sciences';
- (e) creating bye-laws;
- (f) creating trusts, acting as trustee of, or managing trusts, endowments, scholarships etc. which further the Academy's objects;
- (g) making arrangements for the works and meetings of the Academy;
- (h) promoting the formation of organisations which further the Academy's objects, and assisting them in fulfilling their objects.

In addition, there remains a sweep up power for the Academy to do any other lawful things in pursuance of its objects.

1.3 **Trustee Benefits (Mem.5; Ct.5)**

There are no substantive changes to the trustee benefits provisions.

2. **ARTICLES OF ASSOCIATION**

2.1 **Membership**

2.1.1 **Cessation of Membership (AA.8; BL.2.6)**

Rather than the unanimous consent of the Council being required to expel a Fellow, the consent of only three-quarters majority of eligible Council Members is now required to remove an Ordinary Fellow.

In addition, it is now an express provision of the Bye-laws that the conduct of an Ordinary Fellow is grounds for removal from the Academy.

2.1.2 **Suspension (BL.2.7)**

The Bye-laws contain suspension provisions that give the Council the power to suspend an Ordinary Fellow provided that various conditions have been met, including that three-quarters of the Council Members vote in favour of the suspension.

2.1.3 **Subscriptions (SO.57-59, R.14.1)**

Subscriptions for Ordinary Fellows are currently reviewed annually by the Finance Committee, agreed by the Council and reported at each AGM.

Under the Regulations, the sums are not only reported to the Fellows at the AGM, but must also be approved by the Fellows.

2.2 **General Meetings**

2.2.1 **Extraordinary General Meetings (AA.13; BL.5.4)**

The provisions enabling Fellows to requisition an EGM mirror the current Companies Act 2006 provisions.

2.2.2 **Notice of General Meetings (AA.15; BL.6)**

The provision in the Articles for shorter notice provided 95% of Fellows have agreed has not been included in the Bye-laws. The rationale for this is that 95% was such a high percentage that it would be practically impossible for the Fellows to meet in any event.

2.2.3 **Proceedings at General Meetings (AA.17, 28; BL.7)**

The quorum is maintained at 20 persons.

The provision in the Articles for a resolution of the Fellows to be passed in writing provided it has been signed by all the Fellows has not been included in the Bye-laws. Again, the rationale for this is that it would seem practically impossible for all the Fellows to sign.

2.2.4 **Right to appoint a Proxy (AA.22)**

As a company limited by guarantee, the Fellows are entitled under the Companies Act 2006 to appoint a proxy to attend and vote in their place at general meetings of the Academy.

As the Companies Act 2006 does not apply to Charter Bodies, there is no requirement for Fellows to be able to appoint a Proxy. We have not included proxy voting in the new constitution as this is a right that has rarely been exercised under the current system and it was felt that presence in person at General Meeting should be encouraged.

2.3 **The Council (AA.32; BL.9)**

Whilst there is no change to the composition of the Council, the designation of 'Foreign Secretary' has been replaced with that of 'Vice President (International)'.

2.4 **Appointment of Co-opted Council Members (AA.33, 52, 53; BL.13)**

There continues to be a power to co-opt up to 5 Council Members. Existing Article 52 provides that in *exceptional circumstances* only, a Co-opted Council Member need not be a Fellow. As now drafted in the Bye-laws, there will be an ability to appoint up to two non-Fellows as Co-opted Council Members, without there needing to be exceptional circumstances. These two non-voting Fellows could be Honorary Fellows.

2.5 **Powers of the Council (AA.37-40; BL.15)**

The powers of the Council have remained the same.

2.6 **Clauses relating to the 'Initial Period'**

All of the provisions relating to the 'Initial Period' (i.e. the 12 month period from the date of incorporation of the Academy as a company) have been removed since these provisions are no longer relevant.

2.7 Election and retirement of Ordinary Council Members (AA.45-46; BL.11-12)

Whereas the Articles provided for retirement by rotation, the Bye-laws provide that the Ordinary Council Members will hold office for a fixed term of three years.

As with the existing Articles, Ordinary Council Members can only stand for re-election after one year has passed since they held office as Ordinary Council Members. However, Ordinary Council Members can still be appointed as Honorary Officers.

2.8 Disqualification and removal of Council Members (AA.54; BL.14)

Council Members can now be removed from office if they are absent from three consecutive meetings, rather than only if they are absent from all meetings for a period of six months.

2.9 Conflicts of Interest (BL.16)

The Bye-laws provide that the Council will adopt a conflicts of interest policy to be followed by Council Members. This was not a feature of the Articles but reflects current best practice.

2.10 Quorum for Council Meetings (AA.57, BL17.5)

Under the existing Articles the quorum may be fixed by Council or is one-third of the Council Members or two (whichever is greater). The quorum is preserved in the new Bye-Laws, save that the Council will not have a separate ability to fix the quorum itself.

2.11 Officers and Servants (AA.64; BL.19)

The Bye-laws contain a new specific provision in relation to the appointment of, and delegation to, an Executive Director.

2.12 Accounts and Auditors (AA.69-71; BL.20)

These provisions have simply been updated to reflect current requirements.

2.13 Notices (AA.74-78; BL.22)

The Bye-laws now contain specific provisions for notices given by email.

2.14 Indemnity (AA.79-80; BL.23)

The indemnity has been preserved.

3. STANDING ORDERS AND REGULATIONS

3.1 The Regulations, for the most part, contain the provisions that were previously included in the Academy's Standing Orders. They have been re-ordered and re-worded and updated to take account of new technologies. Small amendments have been made throughout to ensure that the Regulations reflect the current practice. We have not commented on each of these changes as they are too numerous and do not generally affect the substances of the procedures.

3.2 Table of Contents

A new table of contents has been added to ensure that the Regulations are easy to use.

3.3 Definitions (Regs.1)

A new definitions section has been included and definitions have now been used consistently throughout the Regulations.

3.4 **Ordinary Fellowship (SO.1–45; Regs.2–14)**

Following receipt of advice from Counsel that a criteria that referred to nationality (ie citizens of the UK) was directly discriminatory, the eligibility criteria has been amended in accordance with his advice and now refers to UK residents. Whilst this is indirectly discriminatory it is capable of being justified in order to ensure that the Academy is able to deliver its work effectively.¹

Otherwise, this now follows the actual procedure used by the Academy (which differs slightly from that in the Standing Orders) and reflects the online system which is currently used.

3.5 **Other forms of Fellowship (SO.Section VIII and IX; Regs.15–20)**

These provisions have been re-worded in parts but substantially follow the provisions in the Standing Orders.

3.6 **Honorary Officers (SO.Section XIII; Regs. 21-24)**

Again, these provisions have been re-worded but substantially follow the existing provisions.

3.7 **Election of Council Members (SO.Section XIV; Regs. 25–27)**

The election process has been clarified but there have been no significant changes made.

3.8 **Appointment of Co-opted Council Members (SO.Section XV; Regs.28–30)**

The co-option process has been clarified in the new Regulations.

JULY 2018

¹ A copy of Counsel's opinion can be provided on request.