

An Extraordinary General Meeting
of the
Faculty of Occupational Medicine
was held at the
Royal College of Physicians
on
Wednesday 1 December 2010 at 12 noon



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1 INTRODUCTION/BACKGROUND

- 1.1 Professor Coggon, as President, welcomed those present to the meeting. He outlined the purpose of the meeting, which was solely to consider the change of status of the Faculty from unincorporated to incorporated charity, as proposed by the Board; to explain the reasons why the Board wanted to make this change, and what the process involved; and to allow members the opportunity to make comments or ask questions about the new Memorandum and Articles of Association.
- 1.2 The President reminded the meeting that the decision for the change of status rested constitutionally with the Board and there would be no vote on whether members agreed or disagreed with the Board's proposal. The membership had been advised of the Board's intended course of action through a briefing to members posted on the Faculty website on 20 August, with the draft Articles of Association being made available to members on 1 September, at the time the agenda for this meeting had been publicised. Any minor changes in wording to improve these, proposed during the meeting, could be actioned before proceeding to incorporation, but any major points raised would need to be considered by the Board and, if necessary, brought back to the Annual Meeting in May for discussion.
- 1.3 The advantage of the proposed timescale, to which the Board had been working for more than six months, was that if incorporation could be achieved close to the year-end, then the Faculty would avoid a second audit of the accounts and thus the associated costs. Clearly if major concerns were raised, then the Board would want to take these into account before proceeding.
- 1.4 The most important point to make was that incorporation would have minimal visible impact on: the work the Faculty undertook; its core duties, charitable objects, main functions or powers; or the way in which it interacted with members. The Faculty would remain a charity regulated by the Charity Commission and by the Office of the Scottish Charity Regulator (OSCR), the difference being that it would become a company and be subject, additionally, to company law.
- 1.5 The President informed the meeting that under Standing Orders those entitled to speak should address the Chair, and speak on the subject of the meeting, once only and as briefly as possible. To enable constructive feedback, the meeting was content for the Chair to exercise flexibility on this point, if required.

2 CHANGE OF STATUS OF THE FACULTY FROM UNINCORPORATED CHARITY TO INCORPORATED CHARITY

- 2.1 The President invited Ray Johnston, as Registrar, to present the reasons for the change to the meeting.

- 2.2 Dr Johnston said that the Faculty, like all medical Royal Colleges and other Faculties, was established as a charity which meant that its purpose was to benefit the public in the ways set out in its charitable objects, and the Board wished to retain those fundamental aspects of the Faculty.
- 2.3 At the moment it was an unincorporated charity. This meant that it was not a legal entity and so agreements such as contracts and leases, for example on the new offices, were between third parties and the individual trustees, rather than the Faculty itself as an organisation, and the individual trustees ultimately carried personal liability for any liabilities in excess of the Faculty's assets.
- 2.4 Whilst this had proved a satisfactory way for the Faculty to conduct its affairs so far, the Faculty had now reached a stage in its maturity in which it undertook many activities which carried risks and potential liability, such as the commercial premises lease and the SEQOHS (Safe Effective Quality Occupational Health Service) accreditation project. The Board had considered it prudent, and the right time, to become incorporated.
- 2.5 In its new incorporated status, the Faculty itself would be able to take on the lease from the Trustees, who currently had the responsibility for it as individuals.
- 2.6 The President invited Nicky Coates, Chief Executive, to explain the process leading to incorporation.
- 2.7 Nicky Coates explained that the process of incorporation involved: establishing a company, applying to have the company approved as charitable, and then transferring all the business from the original charity to the new charitable company. This should be a seamless process and apart from being involved in this information process, members should not notice any difference.
- 2.8 The Board was in the process of finalising the governing document for the charitable company and the Memorandum and Articles of Association (M&AoA) were based very closely on the current Standing Orders. Since 1 September, when the draft M&AoA had been posted on the Faculty website, a small number of changes had been made to the document by the Board and a revised draft had been advertised to members on 25 November. The paper copies available to members at the meeting incorporated and highlighted these changes.
- 2.9 Before reviewing the changes Ms Coates highlighted the use of the term 'registrants' (set out in Article 2) to mean the members of the charity for the purposes of the Companies Act, rather than 'Members' which was reserved for those holding the qualification MFOM.
- 2.10 **Revision 1: - in good standing:** the Board had reconsidered the definition of 'in good standing' and decided that the current criteria, as set out in Standing Orders, namely being up to date with subscriptions and compliant with the Faculty's Continuing Professional Development (CPD) requirements should be applied, as currently, to all those who were appointed or elected to official Faculty posts. However, for those wishing to vote in any election, in good standing should mean being up to date with subscriptions only. This would be clarified in the Governance Regulations, the operational rules for the practical running of the Faculty.
- 2.11 **Revision 2 – Office of the Scottish Charity Regulator (OSCR).** A couple of years previously the Faculty, like many charities, had registered with the OSCR, as it operated in Scotland. The changes proposed to Articles 12.4.2, 101, 102 and 109 reflected the addition of the OSCR in those places where reference to the Charity Commission was made.
- 2.12 **Revision 3 – resignation of a registrant:** when a registrant resigned by written notice to the charity, the change proposed to Article 25.3 removed the caveat that this should not take effect if, after resignation, there would be fewer than the number of registrants

required for a quorum at a general meeting. It was not thought to be reasonable, fair or enforceable to require someone to remain a registrant after they had indicated their wish to resign.

- 2.13 **Revision 4 – co-opted trustees:** the change proposed to Article 60 increased the number of co-opted Trustees from three to four, these normally to include the Academic Dean, Registrar and Treasurer, who will have been appointed by the Board, with the first two to be designated Deputy-Presidents, if so co-opted. Currently these three posts, who were appointed after open competition, were not Trustees, although they were invited to attend Board meetings. However, the Board had taken the view after much consideration and debate that there were times when it seemed inappropriate for these key posts not to have a proper and full voice on the Board and so this move would give the Board the facility to co-opt them on to the Board and make them Trustees. In addition, making the Academic Dean and Registrar full trustees addressed the current anomaly whereby these two were Deputy-Presidents but not Trustees. Article 67 provided for the maximum number of Trustees to be increased to 21 to accommodate the additional co-opted place.
- 2.14 **Revision 5 – chair at meetings of trustees:** this change, to Article 81, flowed on from the previous one and added in reference to when the Deputy Presidents should deputise for the President
- 2.15 **Revision 6 – committee reporting structure:** this change to Article 89 made the operation of the Faculty more workable by moving the reporting structure for committees to the Governance Regulations.
- 2.16 **Revision 7 – trainees:** finally, one further proposed revision was to substitute the term registered trainee for Specialty and Specialist Registrars to cover all eventualities of future changes in terminology for this group.
- 2.17 The President then invited comments and questions on what was being proposed from the floor.
- 2.18 Bill Gunnyeon said it was important that the Faculty ensured that its Trustees were properly protected and that carrying liability in the sort of circumstances that currently prevailed was unacceptable for those taking on not insignificant responsibilities in their own time and often at their own costs. He believed the process of incorporation to be an appropriate one and was very supportive of this move.
- 2.19 Raymond Agius echoed the views expressed by Bill Gunnyeon and gave credit to all those elected and non-elected within the Faculty who had worked towards this move. His one reservation, which he thought was not crucial to the incorporation process, was in respect of Article 81 and who should preside at meetings of the Trustees in the absence of the President. Having been a member of the Faculty for over two decades, and an elected member of the Board for about one third of that time (on three separate occasions) he sensed a shift away from elected Trustees to non-elected Trustees. Whilst there was nothing wrong in this, in relation to who should preside at Trustee meetings his personal view was that this should be, as at present, an elected Trustee.
- 2.20 In response to a question from Dil Sen, Nicky Coates said that the cost of the proposed change would be £4,000 - £5,000, of which £3,800 had been incurred to date.
- 2.21 Richard Preece expressed his concerns that, just a decade or so after introducing the Continuing Professional Development (CPD) scheme, and still without 100% participation from Members and Fellows, the Faculty was lowering the standard of good standing, which seemed to him a retrograde step. The President explained that the proposed changes did not represent a lowering of the standard of good standing, but merely moved its definition to the Governance Regulations. The reason for this move related to the practicalities of checking at different times in the annual cycle of subscription payments and CPD submissions that everyone had paid and was CPD compliant. There would be more

flexibility to change the definition or adopt a particular system under what was now proposed as the Governance Regulations were more easily changed than the Articles of Association.

- 2.22 Mike Gibson proposed that the Board consider a change to the Faculty's charitable objects to include benefit to members.
- 2.23 Ewan Macdonald said that being a charity trustee was very onerous and risky financially and given the amount of trading the Faculty currently undertook, he thought the move to be an entirely appropriate one and fully supported it.
- 2.24 The President said that, there being no major concerns among members present, nor any expressed in writing from members unable to attend, the points raised by Mike Gibson and by Raymond Agius would be referred back to the Board for further consideration. The membership would be kept up to date through the electronic newsletter on developments and progress to incorporation.

3 CLOSE OF PROCEEDINGS

The President thanked those present for attending the meeting and declared the meeting closed.

Confirmed by:

President:

D. Feggon

on date:

19.5.11