



## Notice of 257<sup>th</sup> Annual General Meeting

Notice is hereby given that the 257<sup>th</sup> Annual General Meeting of the RSA (Royal Society for the encouragement of Arts, Manufactures & Commerce) will be held in The Great Room at the Society's House, 8 John Adam Street, London WC2N 6EZ on **Wednesday 5 October 2011** at **5pm**.

### Agenda

1. Welcome and Apologies
2. Minutes of the 256<sup>th</sup> Annual General Meeting held on 6 December 2010 and Matters Arising\*
3. To receive and consider a report from the Board of Trustees\*;
4. To receive and consider the audited statement of accounts\*;
5. To consider the election of Suzy Walton as Deputy Chair which requires the concurrence of the AGM\*\*;
6. To consider a resolution proposed by the Trustees that the Society's existing Bye-laws be replaced in their entirety by the new Bye-laws presented to the meeting and signed for identification by the Chair thereof ('the new Bye-laws'), save that the composition of the Fellowship Council under Bye-law 7.2 of the new Bye-laws shall be phased in and shall become fully effective after the elections for the Fellowship Council in 2012\*\*;
7. To consider a resolution proposed by the Trustees that all Regional/National Chairs should be elected by a ballot of Fellows in their Region/Nation for a two year term; that the composition of Regional/National teams be agreed with the Trustee Board; and that all Regions/Nations develop a development plan within a strategic framework set by the Fellowship Council and the Board\*\*;
8. To consider a Fellow resolution that the report of the Governance Advisory Group should be referred back to the Trustee Board\*\*;
9. To consider a Fellow resolution that the Nominations Panel should not have the power to prevent the election or appointment of Fellows to the Board of Trustees or the Fellowship Council and that the Society's Bye-Laws be changed accordingly\*\*.

By order of the Board

Luke Johnson

Chairman

30 August 2011

\*Papers for these items will be tabled at the meeting and they can also be accessed at <http://www.thersa.org/about-us/governance>

\*\*See attached

Incorporated by Royal Charter and registered as a charity in England and Wales, number 212424 and in Scotland, number SC037784.

**Patron** HM The Queen

**President** HRH The Princess Royal

### **Trustee Board**

In accordance with the Bye-laws, and subject to the concurrence of the AGM, the Board from the end of the 2011 AGM will consist of:

Luke Johnson  
Suzy Walton  
Richard Best  
Vanessa Harrison  
David Archer  
Kevin Cahill  
Clive Grinyer  
Zena Martin  
Don Pinchbeck  
Jonathan Rollason  
Hanif Virji

### **Changes to the Trustee Board**

- 1) Naaz Coker is retiring at the end of this AGM.
- 2) Stephen Lambert and David McCoy have resigned since the last AGM.
- 3) Kevin Cahill, Don Pinchbeck, Jonathan Rollason and Suzy Walton joined the Trustee Board as elected Trustees in February 2011.

### **Trustee Elections**

Subject to Resolution 2 (Agenda Item 6) being approved at the AGM, a vacancy will arise for an elected Board Member. The call for Nominations will be announced on 10 October, Nominations will close on 10 November, voting papers will be despatched on 30 November, polls will close on 10 January 2012 and results will be announced on 31 January 2012. The newly elected Trustee term of office will be until the end of the 2014 AGM.

### **Charter & Bye-laws**

The Society's Charter & Bye-laws can be accessed on our website at:  
[www.theRSA.org/about-us/governance](http://www.theRSA.org/about-us/governance)

### **Impact Report and Audited Statement of Accounts**

The Society's Impact Report, and Trustees' Annual Report and Financial Statements, can be accessed at:  
[www.theRSA.org/about-us/governance](http://www.theRSA.org/about-us/governance)

### **Proxies/ Electronic Voting**

If you are unable to attend the AGM, you or your authorised attorney can appoint a proxy. A proxy makes decisions in your stead, and the form enables the Society to register that you have appointed a proxy and record any instructions you might have given to your proxy as to how to vote. You are welcome to appoint Luke Johnson, our Chair, as your proxy without first obtaining his consent.

We are pleased to announce that this year Fellows will be able to appoint a proxy and give instructions to vote electronically through an online service that has been designed by Electoral Reform Services (ERS). ERS will also manage the voting process. You can vote by following the instructions in the proxy form enclosed and using the security code printed on the form. Alternatively, simply complete the enclosed proxy form with your instructions and send it to ERS in the pre-paid envelope supplied.

### **Inaugural Lecture**

The AGM will be followed at 6.30pm by the Inaugural Lecture of the 258th Session.

All Fellows and their guests are welcome to attend the Inaugural Lecture: please book your ticket using our on-line booking service at [www.theRSA.org/events](http://www.theRSA.org/events) or email [lectures@rsa.org.uk](mailto:lectures@rsa.org.uk), or phone 020 7451 6868.

Luke Johnson  
Chair of the Board of Trustees

30 August 2011  
RSA, 8 John Adam Street, London WC2N 6EZ  
[www.theRSA.org](http://www.theRSA.org)

## **Resolution 1**

### **To approve the election of Suzy Walton as Deputy Chair of the RSA which requires the concurrence of the AGM.**

Suzy Walton is an elected member of the Trustee Board. She is a self-employed expert in corporate governance, writes extensively and speaks on a wide range of subjects. She is a Chartered Scientist, a Chartered Occupational Psychologist and a Chartered Director (the UK's highest level qualification in corporate governance). She holds a BSc, MSc and PhD (her PhD was awarded for her research into military suicide). Suzy was a former Senior Civil Servant with over twelve years' experience in Cabinet Office, the Ministry of Defence and other Whitehall Departments. From 2000 to 2004, she was in the Prime Minister's Strategy Unit. She has also served in the Prime Minister's Delivery Unit. Suzy is the Deputy Chair of the board for the internet regulator, the Internet Watch Foundation (IWF), and Deputy Chair of the board of the University of Westminster and sits on the boards of other organizations including the Birmingham Children's Hospital and Combat Stress. She also sits on various government committees and NDPBs including: the Science Advisory Council (Defra); the National Specialist Commissioning Group (Department of Health); and the Ethics Group of the National DNA Database (Home Office). She has also been appointed by the Government Equalities Office as an Ambassador for diversity on boards and, for the Institute of Directors, she sits on a board committee and is a professional reviewer for Chartered Director candidates. For all the main boards Suzy serves on, she is chairman of various sub-committees.

## **Resolution 2**

**To consider a resolution proposed by the Trustees that the Society's existing Bye-laws be replaced in their entirety by the new Bye-laws presented to the meeting and signed for identification by the Chair thereof ('the new Bye-laws'), save that the composition of the Fellowship Council under Bye-law 7.2 of the new Bye-laws shall be phased in and shall become fully effective after the elections for the Fellowship Council in 2012. \*\***

## **Resolution 3**

**To consider the resolution that all Regional/National Chairs should be elected by a ballot of Fellows in their Region/Nation for a two year term; that the composition of Regional/National teams be agreed with the Trustee Board; and that all Regions/Nations develop a development plan within a strategic framework set by the Fellowship Council and the Board.\*\***

### **Statement by the Board of the RSA in support of Resolutions 2 & 3**

Following a motion that was passed at the AGM on 6 December 2010, a Governance Advisory Group was formed with the following members drawn from the RSA: Luke Johnson (Chair), David Archer, Allan Bosley, Naaz Coker, Jessica Crowe, Jackie Elliman, Keith Horsfall, Ann Packard, David Phillips and Bob Porrer.

The Governance Advisory Group has made its recommendations based on: consultation with the Fellowship which took place during May and June; research; best practice codes as well as the considerable expertise and experience within its own ranks. The consultation process has been fruitful and following constructive feedback from Fellows, a number of changes have been made to the draft proposed Bye-laws circulated in June. The Trustee Board has approved these recommendations and believes that the new governance structure will benefit the Society and will strengthen the link between the Fellowship, the Fellowship Council, the Regions/Nations and the Board.

In summary, the Trustee Board is now recommending: a Board with a *majority* of elected Trustees (7 elected and 5 co-opted Trustees) rather than the parity Board proposed in June; a Fellowship Council of 35 elected and 5 co-opted Fellows; a threshold of 200 Fellows required to table a resolution (rather than 250 in the June draft) and 500 Fellows to call a SGM and a new mechanism whereby 50 Fellows will be able to call for support from other Fellows on the RSA website when they want to table a resolution or call a SGM. The appeal process for removal of Fellows is in accordance with the existing Bye-laws i.e. it remains a three stage process.

Resolution 3 will achieve a more integrated and flexible approach to Regional/National structures. Whilst the Board has the power under the Bye-laws (2004 update) to prescribe arrangements for the Regions, the Board is seeking the support of a majority of voting Fellows to implement the proposals set out in Resolution 3.

\*\*The attached report gives a thorough explanation of the recommendations. The Trustee Board hopes that the Fellowship will whole heartedly support those recommendations. A tracked version of the Bye-laws showing all additions and deletions made to the current Bye-laws is available at <http://www.thersa.org/about-us/governance>.

## **Resolution 4**

**To consider the resolution that the report of the Governance Advisory Group should be referred back to the Trustee Board. The recommendations and report of the Governance Advisory Group should be revised to ensure that, in accordance with good governance, they are evidence based, and so include the problems to be solved and the reasoning why any proposals will have the required beneficial results. Full consultations with Fellows should take place at a Regional/National level thus giving the opportunity for debate of the revised recommendations, as foreseen in the original motion. Until formally sanctioned by Fellows at an appropriate meeting there should be no implementation of any of the Board of Trustees current recommendations resulting from the Governance Advisory Group.**

### **Statement by Rudi Plaut CBE, CEng FIMechE CCMI FRSA and others in support of the Resolution**

The greatest concern regarding the Trustee Board's proposals, arising out of the Governance Advisory Group's review, is that in future any motion to the AGM must have 200 signatures instead of the present 25. No evidence whatsoever is given for the need for this change, which in practice severely threatens the ability of Fellows to influence the governance of their own Society. This follows the proposal last year to do away with elections altogether and instead to co-opt all Trustees. The first Fellow's motion for many years was on this subject at the AGM last year. The Trustees dropped their original proposals and backed the motion, as the Fellows did overwhelmingly at the AGM. So the evidence is that this device proved very useful. Furthermore there are no records of any misuse.

The Trustees' proposals for this year's AGM were not published in the most recent News Letter or Journal. They had to be found buried in the Society's web site just over 2 weeks before the closing date for motions. As the Society has a considerable ability in publicity this is very surprising. It also happened last year.

The proposed number of 200 must be seen against the participation of only just over 2000 Fellows in last year's AGM, by proxy or in person. Yet the AGM has a year's notice and publicity. This illustrates the real difficulty in getting the number of 200 signatories in a short time. Promises of help by 8 JAS cannot be written into the Bye-Laws and cannot be guaranteed, let alone for the successors of the present office holders, and are therefore irrelevant.

Other recommendations by the Trustees include the requirement for Regions/Nations to submit 1 and 2 year plans to 8 JAS, and that where a local panel is formed, (as opposed to a Committee), that its membership must be approved by them. This begs the question of what wisdom and local knowledge of people is possessed by the staff in London that is superior to that of the Fellows on the spot.

Most Fellows reading the recommendations will see further problems for which there is no room to list here. That is why the whole report needs to be thoroughly discussed in the Nations and Regions by people with real experience in their running, so as to be based and take account of their views. This was foreseen in the original motion last year setting up the GAG and accepted by the Trustee Board at that time, but has not taken place.

## **Statement by the Board of the RSA**

The Board **does not support** this resolution and considers that the Governance Review was conducted in a thorough and transparent manner. The Governance Review Recommendations were only reached after careful analysis of: governance structures of other not for profit organisations, the UK code of Corporate Governance, the Code for Voluntary Organisations, the Nolan Principles and consultation at various stages with Regional/National Chairs, Regional/National Committees, Fellowship Council Members and the whole Fellowship. It is also important to note that the final proposals put to the AGM have been modified (for example, in relation to the composition of the Board and the tabling of resolutions) as a result of the consultation and that it has been an iterative process. A copy of the final Fellowship consultation feedback is available at <http://www.thersa.org/about-us/governance>. The Board confirms that the recommendations will only be implemented if they are approved at the 2011 AGM. In the event, the recommendations are not approved then the Board will have to review the recommendations for the 2012 AGM.

## ***Two Hundred Signatures***

Under the existing Bye-laws, 25 Fellows (0.09%) can table a resolution at the AGM. With a Fellowship now exceeding 27,000, the threshold required to table a resolution at the RSA is very low. The proposal is to raise the threshold to 200 Fellows to reflect a more substantive support base than is currently the case. This constitutes 0.7% of members, which is still a low threshold. We ought not to be troubling our Fellows to vote on resolutions posted by less than 0.1% of the Fellowship.

The statement says that "*Promises of help by [8 JAS] cannot be written into the Bye-laws and cannot be guaranteed*". The Board is prepared to incorporate proposed new Bye-laws 13.15 and 13.16 which *do* provide constitutional support to Fellows to garner additional support to a resolution. If 50 Fellows support a resolution then it will be posted on the Fellowship Section of the RSA website for one month. In addition, the Board, only after prior consultation with the Fellowship Council, can issue additional rules and guidance. This will allow for additional flexibility.

## ***Conclusion***

The Board firmly believes that it has incorporated the principles of best practice as stipulated in the various best practice codes and has also reflected the views of the majority of Fellows received through the various consultations. The Board wants the RSA to be a model not-for-profit organisation where best practice is followed and to have a committed Board that is fully responsible for the overall strategy and direction of the RSA while at the same time strengthening the relationship between the Board, the Fellowship, the Fellowship Council and the Regions/Nations.

## **Resolution 5**

**That Bye-Law section 5.6 and Bye-Law section 8.6 (being the section numbers before the 2011 AGM, or such number as they may subsequently be given) be deleted.**

**These empower the Nominations Panel to prevent the election or appointment of Fellows to the Board of Trustees or the Fellowship Council. They read as follows:**

**5.6. “No Fellow shall be eligible to be nominated for election under Bye-law 5.2(d) or co-option under Bye-law 5.2(e) unless they shall first have been approved for that purpose by the Nominations Panel.”**

**8.6 (c) “to determine, having regard to (a) the compliance by that individual with the Fellowship Charter (b) Bye law 6.11 and (c) in the case of the Board, the skills of such individual, whether a particular nominee should be eligible for election or appointment as a Trustee or a member of the Fellowship Council.”**

### **Statement by Rudi Plaut CBE, CEng FIMechE CCMI FRSA and others in support of the Resolution**

It is clearly totally undemocratic that a small group of no more than six members should have the absolute power to prevent a candidate standing for democratic election as a Trustee of our Fellowship. The Charity Acts provide any necessary protection.

Although those at present in position would no doubt never use these powers, as I have been assured, there is absolutely no guarantee how others may use them in the next 250 years. Nor is it clear why such powers should ever be needed. And if it will never be needed, why keep it?

There is a place for a Nominations Panel to make recommendations and encourage candidates to help balance the Board of Trustees and the Fellowship Council, but that is a very different matter.

In 2009 we had this new bye-law. In 2010 we had the attempt to introduce an all co-opted Board of Trustees. This year we have the proposal to require 200 signatures for a motion for the AGM. They all take control of the Society from its Fellows, yet in none has a case been made proving the need to change the existing rules that have served the Society well for over two centuries.

“If it ain’t broke, don’t fix it”. “Every change has unintended consequences”. “It has been said that democracy is the worst form of government, except for all the others that have been tried from time to time”.

We all know from our own experience the truth of these sayings. Instead of trying to control Fellows from afar, let us concentrate on supporting the power of the RSA, which lies in the unique fund of energy, experience in senior positions, breadth of expertise and wide geographical spread of its Fellows. This does not prevent the centre from also running successful schemes which are in accord with our Charter.

The deletion of these clauses will provide a clear signal of the will of the Fellows of this ancient society to remain in control and ensure that we hand it on safely to future generations.

## **Statement by the Board of the RSA**

The Board **does not support** this resolution. It is standard practice for charities to set up Nomination Panels. The statement asserts that "*it is clearly totally undemocratic that a small group of no more than six members should have absolute power to prevent a candidate standing for democratic election.*" It is important to remember that if the new Bye-laws are passed, the Board will be *majority* elected and the Fellowship Council will be over 80% elected. The Nominations Panel is drawn 50:50 from the Board and the Fellowship Council.

It is also pertinent that the Nominations Panel does not '*have absolute power*'. The Nominations Panel has been empowered to approve candidates: both co-opted and those standing for election to ensure that the Board contains the right mixture of skills, experience and diversity so as to achieve the Society's objectives. The power to exclude has not been exercised by the Nominations Panel and it is not the Panel's intention to prevent Fellows standing for election. However, the Trustee Board feels it important that the Nominations Panel retain this right in case of extreme circumstances e.g. it would veto a candidate where there is a prime facie case for suspension such that the Fellow's conduct has on a reasonable view materially disrupted the working of the Society or has risked bringing it into disrepute etc.

The resolution as drafted would also prohibit the Nominations Panel from assessing the skills of candidates who are being *considered for co-option*, as it specifically requires the deletion of the reference to co-optees under Bye-law 5.2(e). It is important that co-optees to the Board enhance and complement the skills of elected Trustees.