

TPS – conversion to Company Limited by Guarantee

Key points for TPS members from draft Memorandum & Articles

The Memorandum & Articles are the foundation documents for TPS Ltd, taking the place of the old TPS Constitution. As far as possible they transfer the provisions of the old constitution into the new organisational form, but it must also meet the requirements of the Companies Act and the Executive have taken advantage of the occasion to make other (mainly minor) changes. What we believe to be the most significant points are highlighted in the copies of the documents on the website [URL] and summarised below. Please note that they are not designed for everyday use – they provide a framework within which we can have 'Rules' for normal operational purposes (Article 32), and these can be in simpler language.

Memorandum

Section 3 – Object: this is unchanged.

Section 4 – Powers: we propose a more comprehensive description than in the past, bearing in mind the wider qualifications and skills remit and Companies Act requirements.

Section 5.3, 5.5 and 5.6: put in Companies Act form the existing restrictions on payments to Exec/ Board members.

Section 6 – Members' guarantees: in conformity with Companies Act this places an obligation on members to guarantee against losses on winding up, but limits that obligation to £1. The obligation continues for a year after resignation, but is not cumulative.

Section 7 – requires a 75% vote to alter the Memorandum & Articles.

Articles

Article 3 – Membership: defines individual memberships as Ordinary, Designated (i.e. PTP qualified) and Students. Also defines organisational membership in two categories – Institutional (for ICE, RTPI, CILT and IHT and other similar professional bodies), and Corporate for others. The basic criteria for each are stated, unaltered from current constitution (we can set more detailed conditions in Rules under Article 32.2).

We have added a facility (3.5.6 and 14.4) for organisational members to have a (single) vote.

Article 6 – Written Resolutions: adds a decision-making procedure which can be operated by fax or e-mail, with potential for cutting costs of consulting members (note that individual members have to agree to accept this (6.1.2(ii)) – default is post.

Article 10 – quorum for member meetings (same as in past), and process if not quorate (new)

Article 15 – formalises the position of Regional Groups

Article 16 – Board of Directors: carries forward current arrangements for the Executive, except: allows for people to serve unexpired portion of their term (16.7); increases the possible number of co-options to 4 to allow for balance – e.g. between regions (16.13).

Articles 17-26 – Sets out powers of Board – as existing, modified to conform to Companies Act norms.

Article 32 – wide-ranging power to make Rules within scope defined by Memorandum & Articles.