

EMA - PROPOSED CHANGES IN THE WAY IT IS GOVERNED

1. Introduction

A. Early Days EMA was formerly constituted at its first AGM on 6th November 1959 as an unincorporated association. It is a Registered Charity No. 274521. Amendments were made to that Constitution in 1961, 1968, 1976, 1977 and 1978. (See Appendix A). This covered the years when The Alliance was run by a part-time General Secretary and minimal administrative support.

B. Developments in early 1980's When Ernest Oliver indicated he would retire from the position of General Secretary, the Council of Management determined to appoint a full-time person. This took place in 1983.

In 1984 work began on revising the Constitution. This new Constitution was adopted on 20th November 1986.

C. Subsequent developments Since that time a number of minor changes have been approved by the Council and AGM including the following:-

- (i) Addition of “invited member” category under section dealing with corporate members (V.A.)
- (ii) Addition of “affiliate member” category under section dealing with associate members (V.B.)
- (iii) Change of “Management Committee” to become “The Council”, with particular responsibilities and the formation of an “Executive Committee” with delegated powers (VII.B)

Areas to be covered by Council and Executive

Council

- (i) to decide major policy matters
- (ii) to be a forum for debating major world mission issues
- (iii) to determine the way the Annual Conference is organised.
- (iv) To approve the annual budget and any extra budgetary expenditure

Executive

- (i) to oversee the management of EMA
- (ii) to prepare proposals to Council on any major policy changes
- (iii) to receive recommendations from Finance Committee on finance matters

- (iv) to handle membership matters
- (v) to supervise the different ministries of EMA

Council contd.

- (v) to determine matters relating to co-operative relationships with other organisations eg EA, CCOM etc
- (vi) to approve any constitutional revision before final decision by the AGM
- (vii) to appoint members of the Executive Committee
- (viii) To appoint the General Secretary

Executive contd.

- (vi) to determine Council agendas
- (vii) to appoint members of sub-committees (eg Finance) and approve chairmanship of continental and functional groups
- (viii) to approve and monitor co-operative projects

2. Need for change

- A. In 1997 the Council discussed the issue of governance, trustee responsibilities and other related issues.
- B. A number of factors were identified that suggested the need to change the way in which EMA is governed:
 - (i) The substantial growth of EMA's membership operation, staff and budget.
 - (ii) The increasing demands on trustees to meet legal obligations following recent legislation on Charity Law and demands of The Charity Commission.
- C. It was proposed by the Council that EMA become a Charitable Company limited by guarantee. The Executive Director wrote to Alistair Watson of Lewis and Dick on 16th June 1997. That has led to an exchange of correspondence (see Appendix C)
- D. EMA works in partnership with the EA. One of the tangible evidences of this partnership provides for the EMA Executive Director to sit on the EA Council, and for one of their Directors to sit on the EMA Council. This has meant that the EMA Executive Director was made aware that EA was considering major structural changes in the way it is governed. This provided further opportunity to review the best way in which EMA should proceed on the matter of its governance. However, this also slowed down that process (see Appendix D)

3. Issues to be addressed before proceeding to instruct our legal advisors.

A. Preamble When I approached Alistair Watson on the matter of establishing EMA as a Charitable Company, he indicated that one possible way of doing this was to use a standard document already approved by The Charity Commissioners and proceed quickly to set up EMA as a Company (See Appendix E). However, he advised that this should be done first and then work more slowly on changing the Constitution, which, if we wished to make any substantial changes to the standard Charity Commissioners format, could take considerable time to implement. After consulting with the Chairman of the EMA Council it was agreed not to proceed along the lines of the standard document but to first examine the key issues EMA needs to address. I see those issues as follows:-

B. Issues

- (i) Whatever changes are made we must endeavour to retain the ethos of EMA as a membership organisation. Much that EMA staff attempts to do relates to our members. How can we retain that ethos and still avoid the risks of remaining an unincorporated association? Currently EMA relies heavily on its members to supply at least 80% of its income. To undermine this arrangement could have far-reaching implications.
- (ii) If EMA becomes a Charitable Company how many “Directors” should we appoint? The minimum is three. Should the current Executive (8 appointed Council members) with 3 Executive staff in attendance, be the model we adopt? Is this sufficient? Should Executive Staff become Directors of the Company? (This is the model EA is adopting).
- (iii) If EMA becomes a Company with a limited number of Directors (with non-Executive and possibly Executive Directors making up the Board) what would be the role of the present Council? How would these be elected or appointed to represent the EMA member organisations?
- (iv) What would become of the A.G.M. at an EMA Annual Conference? Would it become redundant? Has it had its day?
- (v) Should the Chair of the Board of Directors be the same person as the Chair of Council? How should the Chair(s) be appointed.

4. Conclusion

These are the main issues to be addressed as I see them. I look forward to working with you in finding the best way to provide adequate governance for EMA in the next chapter of its ministry.

Stanley Davies
Executive Director
27th April 1998