
ROYAL AUSTRALASIAN COLLEGE OF SURGEONS EXPLANATORY MEMORANDUM Proposed amendments to Constitution

This Explanatory Memorandum sets out in summary form the proposed amendments to the Constitution of the Royal Australasian College of Surgeons (**College**).

BACKGROUND

Fellows will be aware of recent events affecting the College and its financial position. Those events have prompted the College to review its governance and Constitution. It was also timely to reflect on modern governance principles and practices in order for the College to reflect contemporary governance arrangements.

As a result, the Council and the Executive of the College have determined that in order to best meet the ongoing requirements of the College, and to reflect best practice corporate governance, the College adopt an amended Constitution.

Since March 2024, when the initial ballot was paused, RACS President, Vice President and Senior leadership have led an extensive consultation process with Speciality Societies, the Court of Honour, STANZ Chairs and Committees and many other Fellows, whose valuable insights have informed the proposed amendments to the College's governance structure.

We would like to thank all Fellows who have kindly participated in the consultation process.

Council is satisfied that the proposed changes to the composition and role of Council and the introduction of a smaller and more skills-based Board will position the College well for the future and provide the College with a robust, agile and appropriate governance model which is reflective of modern governance practice.

SUMMARY OF KEY AMENDMENTS

The Board, Council and the Executive and their respective powers and functions

The majority of amendments relate to the governance of the College, and in particular to the establishment of a Board and the refinement of the function and powers of Council and the Executive. Currently there are almost 30 members of Council, each of whom is a director at law. This model is no longer conducive to effective decision making and is inconsistent with modern governance practice. In addition, as a director, each Council member carries a real risk of personal liability for breach of their personal obligations as a Director. It is appropriate to limit that risk and to transfer those responsibilities and obligations to a contemporary corporate board structure.

Establishment of a Board

It is proposed to establish a Board and reduce the number of Directors of the College to between seven and ten Directors. The Board will be comprised of:

- the President;
- Vice President or President Elect, (as the case may be);
- up to 5 Directors who must be Fellows recommended by Council based on skills, experience and abilities aligned to strategy; and
- subject to there being a majority of Fellows on the Board, up to four skills-based Directors who are not Fellows, and who are appointed by the other Directors based on

their skills, experience and abilities. The skills-based Directors will be appointed having regard to their expertise in, for example, finance, legal/governance and information technology.

The Board will be the governing body of the College. The Board will manage the business of the College which shall include finance, audit, risk and operations. The Board will have the power to make regulations, on the advice of Council, with respect to procedural matters such as, for example, regarding classes of membership, entrance fees, annual subscriptions and membership.

Clauses 6 through 9 of the proposed amended Constitution (attached) set out how the Board will operate.

The ongoing role of Council

As a consequence of the introduction of a Board, the role of Council and the current Executive will change. However, Council will still retain a critical function in the College by:

- providing leadership with respect to the surgical affairs of the College;
- electing a Chair of Council (President);
- electing a deputy chair (Vice President or President Elect as the case may be); and
- determining the standards of surgery, education and training, research and fellowship engagement and advising the Board accordingly.

It is proposed that Council shall consist of sixteen Fellows elected from the Fellows and include specialty representation. The ongoing function of Council is set out in clause 10 of the proposed Constitution.

Other amendments

Whilst the College has not opted for a 'full-scale' review of the Constitution at this time, a number of consequential and other amendments have been made throughout the Constitution to clarify currently unclear drafting and to clarify which body has ongoing responsibility for the exercise of various powers. By way of example:

- the purpose of the College has been amended to reflect that the College is a bi-national college;
- a significant number of clauses have been amended as a consequence of the primary amendments to the College's governance model. These amendments serve to clarify which governing body is now responsible for the exercise of certain powers;
- clause 2.4.1 has been amended to allow Council to appoint, rather than elect, Honorary Fellows;
- clause 5.6.1 has been amended to clarify that chairing with respect to general meetings includes the chairing of the Annual General Meeting.

Council is satisfied that the proposed amendments will positively reform the governance of the College, and best position the College for future success. Council encourages all Fellows to actively support the proposed reform by voting in the affirmative for the adoption of the amended Constitution.

Should Fellows have any questions with respect to the proposed amendments they may contact College.President@surgeons.org