



ALARM

embrace risk

RESOLUTION: The ALARM Board asks the ALARM membership to approve the new Articles of Association in order to support a more sustainable ALARM.

Peter Andrews, Company Secretary, ALARM



WHY ARE WE PROPOSING CHANGES TO ALARM'S CONSTITUTION?

- To bring our constitutional arrangements in line with the recommendations from Companies House and constitutional consultants.
- To ensure we maintain a vibrant organisation with smart strategic leadership.
- Promote more transparency about how the organisation is run.
- Allow us to be more flexible and agile as an organisation.
- Send a strong message to our sponsors.
- Safeguard the things that we will cherish (a risk management association run by risk managers).

HOW HAVE WE GOT HERE?

The ALARM Board identified a number of serious risks associated with the ability of our members to commit time and resources to running the organisation and the sustainability of ALARM.

- Recent elections have not attracted many candidates.
- Fewer people can take time away from their day job to help run ALARM.
- The ALARM Board does not reflect the diversity of our membership.
- The excessively strict criteria currently in place to become a Board Director is limiting and can prevent interested parties from joining the Board.
- One-year presidencies are not long enough to deliver change.

The current Articles of Association haven't been reviewed for many years and they don't match how ALARM operates now.

Companies House have issued model articles of association that provide key governance requirements that are more transparent.

Constitutional consultants have recommended areas of change including update the Articles of Association.

The ALARM Board believe that the current arrangements are not sustainable for ALARM.

WHAT DO THE ARTICLES OF ASSOCIATION DO?

ALARM is essentially a group of risk managers who work for public service organisations that come together to form an association.

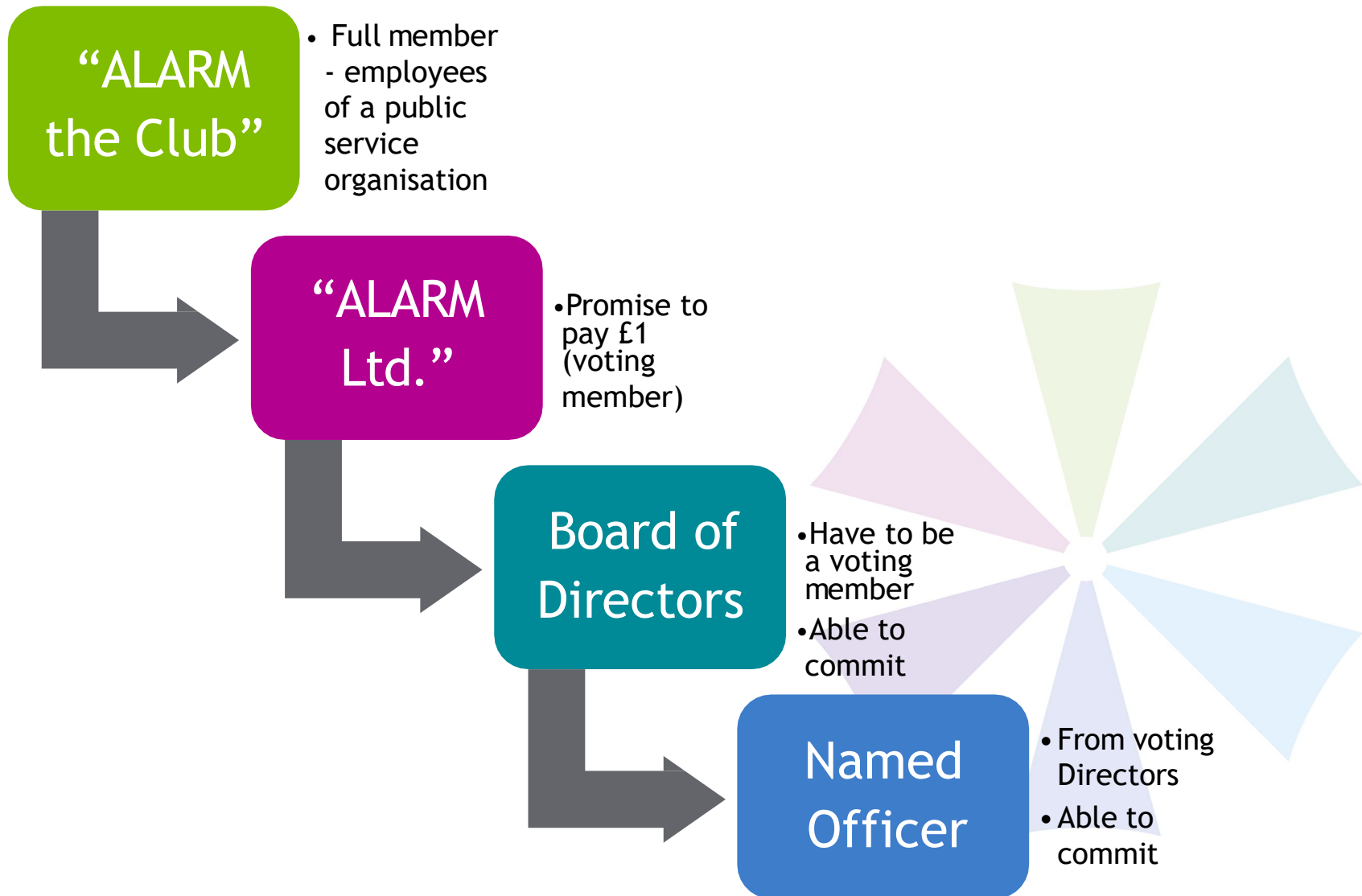
The association is managed by a not-for-profit company limited by guarantee – ALARM Ltd.

This provides a legal basis for everything the association does, for example, permits entry into contracts with venues and sponsors.

Individuals who are members the association can become members of ALARM Ltd by agreeing to pay £1 if the company becomes insolvent.

The Articles of Association are our constitution. They set out the governance arrangements of how ALARM Ltd operates in accordance with company law and how the ALARM Board operates.

A SMALLER AND SMALLER POOL



WHAT ARE WE PROPOSING?

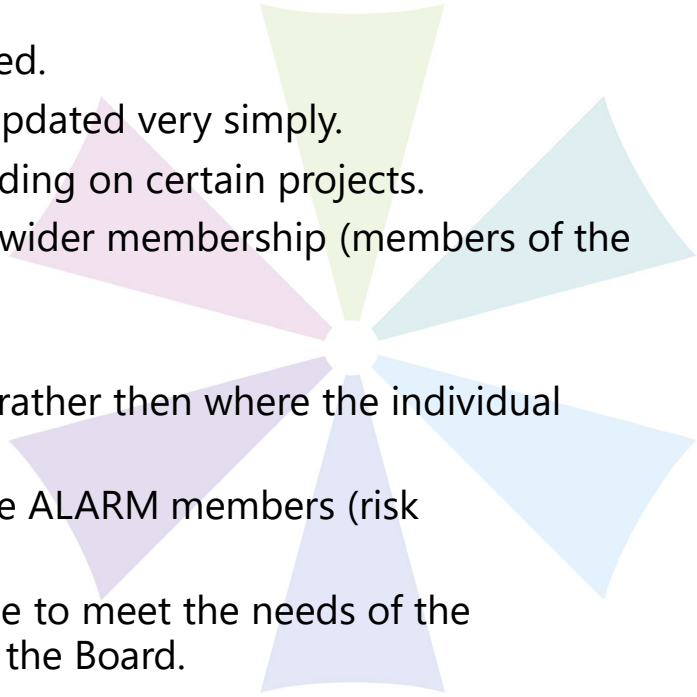
To adopt the model articles of association produced by Companies House.

However, these don't include all of the governance arrangements that is covered in our current Articles of Association, specifically how the ALARM Board is constituted.

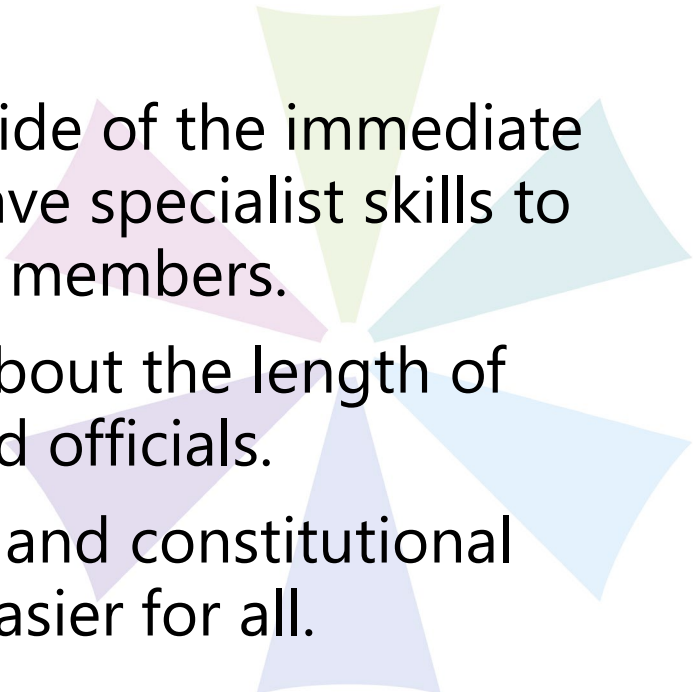
We are proposing introducing a second document that focuses on how the ALARM Board operates – Rules of ALARM.

WHAT IS DIFFERENT?

Two governance documents instead of one

1. Articles of Association
 - How ALARM Ltd works.
 - Unchanged from the current Articles of Association but written in a simpler, modern format suggested by Companies House.
 2. Rules of ALARM
 - How the ALARM Board operates and how it is governed.
 - Subject to the Articles of Association, but able to be updated very simply.
 - The number of Board Directors is more flexible depending on certain projects.
 - Board membership with full voting rights available to wider membership (members of the association) and beyond.
 - Elections will still take place.
 - Board membership is focused on skills and expertise, rather than where the individual works.
 - Written rule that two thirds of Board Directors must be ALARM members (risk management and insurance practitioner).
 - Tenure of Board Directors and names of officials is flexible to meet the needs of the organisation, and subject to continuing confidence of the Board.
 - Clear and transparent rules that are communicated to all members.
- 

WHAT WILL THE NEW CONSTITUTION DELIVER?

- A written guarantee that the majority of the Board will be made up of ALARM members.
 - An opportunity for individuals whose employers stop them from becoming shareholders to be a members of the Board.
 - An opportunity to site expertise outside of the immediate membership from individuals who have specialist skills to help deliver products and outputs to members.
 - An opportunity to be more flexible about the length of tenure for Board Directors and named officials.
 - An opportunity for the financial year and constitutional year to align to make it clearer and easier for all.
- 
- A decorative graphic consisting of several overlapping triangles in various colors (green, purple, blue, light blue) arranged in a starburst pattern on the right side of the slide.

NEXT STEPS

- The ALARM Board has discussed the options in great detail for nearly two years. These proposals are our best shot for a sustainable future for ALARM.
- We consulted with Branch Chairs and communicated the changes to the wider membership.
- Vote at the AGM.
- New constitution would operate from the AGM.

Please support our resolution.

