

To note

Merger of PMETB with the GMC: Transfer of Assets and Liabilities

Issue

1. Consultation on the Privy Council Order relating to the transfer of assets and liabilities associated with the merger.

Recommendation

2. To note agreement to the content of the draft Transfer Order and supporting schedule of assets and liabilities (paragraphs 7-12 and Annex A).

Further information

3. If you require further information about this paper, please contact us by email: gmc@gmc-uk.org or tel. 0161 923 6602

Background

4. Strategic Aim Three in the Business Plan 2010 is to provide an integrated approach to the regulation of medical education and training through all stages of a doctor's career. This includes completing all work necessary to deliver the merger of PMETB with the GMC.

5. The Section 60 Order which will merge PMETB with the GMC provides for the Privy Council to make an Order for the transfer from the Board to the GMC of any assets and liabilities. This is necessary so that we can take on the functions of PMETB. Before making such an Order, the Privy Council must consult with the GMC.

6. At its meeting on 16 February 2010 Council was notified that the formal transfer of assets and liabilities would be achieved through a Transfer Order, and that a copy of the Order and a supporting schedule of assets and liabilities would be circulated to members for comment preparatory to it being submitted to the Privy Council in March 2010 (note that the Order does not need to be approved formally by the Privy Council but does need to be submitted in advance of the Order coming into force on 1 April 2010).

Discussion

7. A copy of the draft Transfer Order and supporting schedule of assets and liabilities is at Annex A. This was prepared in co-operation with colleagues at PMETB and the Department of Health (England).

8. Council will wish to note that, separate from the Order, we have signed a contract with DH(E) to fund the integration of PMETB into the GMC. This contract provides indemnity against any liabilities which might arise in future which are attributable to any action or omission by PMETB prior to the merger and which are unknown at the date of the transfer.

9. In addition, we are in discussion with DH(E) to ensure that funds are transferred to us to cover work in progress and unpaid invoices at the point of merger.

Process for agreeing the Order

10. The fact that the Transfer Order had to be submitted to the Privy Council in advance of 1 April 2010 meant that it was not possible to defer discussion of the draft Order until this meeting of the GMC Council on 31 March 2010. Members were therefore invited to consider and agree the terms of the draft Transfer Order on the basis of papers circulated.

11. The power to proceed in this way is contained in the Schedule of Delegation. This provides for urgent decisions of this kind to be taken outside of scheduled Council meetings:

'To authorise the Chair, having consulted the Chief Executive and other members wherever possible, to authorise on behalf of the Council urgent action of a kind which would normally be dealt with at a meeting. Any action taken will be reported at the next Council meeting and recorded in the minutes.'

12. Following consultation, members confirmed agreement to the terms of the draft Transfer Order and supporting schedule of assets and liabilities, and the Chair duly authorised agreement on behalf of Council to the proposed content of the draft Transfer Order and supporting schedule of assets and liabilities.

Recommendation: To note agreement to the content of the draft Transfer Order and supporting schedule of assets and liabilities.

13. The Transfer Order was subsequently submitted to the Privy Council on 24 March 2010 and will become law on 1 April 2010.

Resource implications

14. The purpose of the Transfer Order is to define the limits of the assets and liabilities transferred to the GMC at the point of transfer. The overall impact on the GMC is cost neutral.

Equality

15. No issues arising from this paper.