

ELIZABETH II



1990 CHAPTER vi

An Act to dissolve the First and Second Administration Councils of the United Medical and Dental Schools of Guy's and St. Thomas's Hospitals; to transfer to the Council of Governors of the Schools all rights, properties and liabilities of those Administration Councils; to make provision with respect to the administration and management of certain funds relating to the Schools; and for connected and other purposes. [22nd February 1990]

WHEREAS—

(1) Guy's Hospital was established in 1724 and Guy's Hospital Medical School was founded in 1769 and admitted as a School of the University of London ("the University") in 1900:

(2) Guy's Hospital Medical School remained a constituent part of Guy's Hospital until 5th July 1948 when, pursuant to a scheme made under section 15 of the National Health Service Act 1946, the School was reconstituted with 1946 c. 81.

the main objects of carrying on the School for the teaching of medicine and for the training of medical practitioners and dental surgeons and promoting research in and providing facilities for the advancement of medical and dental science, knowledge and practice:

(3) St. Thomas's Hospital was established in 1173 and St. Thomas's Hospital Medical School was founded in about 1550 and admitted as a School of the University in 1900:

(4) St. Thomas's Hospital Medical School remained a constituent part of St. Thomas's Hospital until 5th July 1948 when, pursuant to a scheme made under the said section 15, the School was reconstituted with the main objects of carrying on the School for the education of students and other persons in and for the training of such students and other persons in the practice of all branches of medicine and allied sciences and promoting research in and providing facilities for the advancement of medical knowledge and practice:

(5) On 1st August 1982 Guy's Hospital Medical School was reconstituted pursuant to a scheme made under the said section 15 as the United Medical Schools of Guy's and St. Thomas's Hospitals ("the United Medical Schools") with the main objects of carrying on in connection with the Hospitals a School of the University for the teaching of medicine and for the training of medical practitioners and dental surgeons and promoting research in and providing facilities for the advancement of medical and dental science, knowledge and practice:

(6) On the same day as the United Medical Schools were established, St. Thomas's Hospital Medical School was reconstituted as the Administration Council of the United Medical Schools of Guy's and St. Thomas's Hospitals ("the Administration Council") with the main object of holding upon trust for the benefit of the Governing Body of the United Medical Schools any assets of the former St. Thomas's Hospital Medical School remaining vested in the Governing Body of the Administration Council and which are not required to satisfy any liability of or otherwise for the purposes of the Governing Body of the former St. Thomas's Hospital Medical School or of the Governing Body of the Administration Council:

(7) The Royal Dental Hospital of London was established in 1858 and the Royal Dental Hospital of London School of Dental Surgery ("the Dental School") was founded in 1859 and admitted as a School of the University in 1911:

(8) The Dental School remained a constituent part of the Royal Dental Hospital of London until 1948 when, pursuant to a scheme made under the said section 15, the Dental School was reconstituted with the main objects of acquiring and carrying on the Dental School for the purpose of the education of students of dentistry and ancillary personnel, providing accommodation and equipment and the technical and other staff necessary for education and practical training in the necessary subjects, promoting research work and providing finance and facilities for the advancement of dental science and conducting organised courses of instruction for the foregoing purposes:

(9) On 1st August 1983 the United Medical Schools were reconstituted pursuant to a scheme made under the said section 15 as the United Medical and Dental Schools of Guy's and St. Thomas's Hospitals ("the Schools") with the main objects of carrying on in connection with the Hospitals a School of the University for the teaching of medicine and for the training of medical practitioners, dental surgeons and ancillary personnel and promoting research in and providing facilities for the advancement of medical and dental science, knowledge and practice:

(10) On the same day as the Schools were established, the Administration Council was reconstituted pursuant to a scheme under the said section 15 as the First Administration Council of the United Medical and Dental Schools of Guy's and St. Thomas's Hospitals ("the First Administration Council") with objects in relation to the Schools similar to those of the former Administration Council in relation to the former United Medical Schools:

(11) Also on that day the Dental School was reconstituted as the Second Administration Council of the United Medical and Dental Schools of Guy's and St. Thomas's Hospitals ("the Second Administration Council") with the main objects of holding any assets of the Governing Body of the Dental School which remain vested in the Governing Body of the Second Administration Council and which are not required to satisfy any liability of or otherwise for the purposes of the Governing Body of the former Dental School or of the Governing Body of the Second Administration Council:

(12) The Institute of Dermatology ("the Institute") was incorporated in 1950 as a company limited by guarantee, with the main objects of promoting by all available means the study of disease and particularly diseases of the skin and allied subjects, generally of improving the standard of knowledge of the means of prevention, diagnosis and methods of treatment and cure of such diseases, encouraging and carrying out research into the causes of such diseases and the possibilities of prevention and alleviation or cure and providing the accommodation, equipment, professional, technical and other staff necessary for the education and practical training of duly qualified medical practitioners as specialists in the diagnosis and treatment of diseases of the skin:

(13) On 1st August 1985 the Institute transferred its assets and rights to the Schools which were reconstituted on that day pursuant to a scheme made under the said section 15 under the same name with the same objects as in the relevant scheme in force immediately before that date:

(14) Also on that date the First Administration Council and the Second Administration Council were reconstituted pursuant to schemes made under the said section 15 with the same objects as in the relevant schemes in force immediately before that date:

(15) The Institute was dissolved in May 1988:

(16) The University and the Schools have determined that it is expedient to create a centralised management for the Schools and that, accordingly, the First Administration Council and the Second Administration Council should be dissolved and their property, rights and liabilities transferred to the Schools:

(17) It is expedient to make provision for the pooling of the funds of the Schools and the various trust funds held by the Schools and as to their investment:

(18) It is expedient that the other provisions contained in this Act should be enacted:

(19) The objects of this Act cannot be attained without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted, and be it enacted, by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

PART I

PRELIMINARY

- Short title. **1.** This Act may be cited as the United Medical and Dental Schools Act 1990.
- Interpretation. **2.** In this Act, except where the context otherwise requires, the following expressions have the following meanings:—
- “the Administration Councils” means the First Administration Council of the Schools and the Second Administration Council of the Schools or either of those Councils, as the case may be; and, except in section 3 of this Act, references to the Administration Councils shall be construed as including references to their respective Governing Bodies, or either of those Bodies, as appropriate;
- “the appointed day” means 1st April 1990;
- “the Council” means the Council of Governors of the Schools;
- “the Institute” means The Institute of Dermatology;
- “the Schools” means the United Medical and Dental Schools of Guy’s and St. Thomas’s Hospitals.

PART II

DISSOLUTION OF ADMINISTRATION COUNCILS AND TRANSFER OF FUNCTIONS AND PROPERTY, ETC., TO THE SCHOOLS

- Dissolution of Administration Councils. 1946 c. 81. **3.** On the appointed day the Administration Councils and their respective Governing Bodies shall be dissolved and the schemes made pursuant to section 15 of the National Health Service Act 1946 respectively constituting those Governing Bodies and defining the duties and powers of those Bodies and the Administration Councils and providing for the management and control of the Administration Councils shall be revoked.
- Transfer of property, etc. **4.** All property, real and personal, of every description (including things in action) and all rights and privileges of the Administration Councils which immediately before the appointed day belonged to or were vested in or exercisable by the Administration Councils shall on the appointed day, subject to the provisions of this Act, without any conveyance, transfer, assignment or other instrument, be transferred to and vested in, or be exercisable by, the Council for all the estate and interest therein of the Administration Councils.
- Transfer of obligations, etc. **5.** All debts and obligations of the Administration Councils shall on the appointed day be transferred and attached to the Council and shall thereafter be discharged and satisfied by the Council.
- Saving for agreements, deeds, actions, etc. **6.** All agreements, appointments, awards, contracts, deeds and other instruments, and all actions and proceedings and causes of action which immediately before the appointed day were existing or pending in favour of, or against, the Administration Councils shall on and after the appointed day continue and may be carried into effect, enforced and prosecuted by, or in favour of, or against, the Council to the same extent and in like manner as if the Council instead of the Administration Councils had been party to, or interested in, the same respectively.
- Construction of bequests, etc. **7.** Any scheme, will, deed or other instrument, whether made or executed before, on or after the appointed day, which contains any bequest, gift or trust or other benefit in favour of or connected with the Administration Councils or the Institute shall, on and after the appointed day, be read and have effect as if the Schools were referred to therein instead of the Administration Councils or the Institute.

PART III

INVESTMENT POOLS

8. In this Part of this Act, unless the context otherwise requires, the following expressions have the following meanings:—

Definitions in Part III.

“accounting period” means the yearly period commencing on 1st August in each year or other period for which the accounts and financial affairs of the Schools are for the time being made up, arranged and calculated;

“auditor” means the auditor of the Schools;

“certified capital value” means, in reference to any investment with respect to which the expression is used, the capital value of that investment as certified by the auditor in pursuance of the provisions of section 12 of this Act;

“the Commissioners” and “the court” have the same meanings as in the Charities Act 1960;

1960 c. 58.

“endowment fund” means a fund which is applicable for the benefit of the Schools or any work, purpose or feature thereof and the investments of which are for the time being held by the Council in the name of the Schools or the Council;

“general pool” means the general investment pool set up in pursuance of the provisions of section 10 of this Act;

“investment unit” means a share in the trustee investments pool or the general pool, as the case may be, of the nominal value determined from time to time by or under section 14 of this Act;

“operative date” means such date as the Council may by resolution passed in pursuance of section 9 of this Act determine;

“shareholding” means, in regard to the trustee investments pool or the general pool and in reference to any endowment fund with respect to which the expression is used, the aggregate of the investment units in that pool to which such fund is entitled;

“trustee investments endowment fund” means an endowment fund the investments of which are by reason of the provisions of an instrument (including an Act of Parliament other than this Act) relating to that fund to be confined to investments for the time being authorised by law for the investment of trust property;

“trustee investments pool” means the trustee investments pool set up in pursuance of the provisions of section 10 of this Act.

9. If the Council so resolve, the provisions of this Part of this Act shall apply to the Schools and the Council on and after such date (being a date not earlier than the appointed day) as may be determined in the resolution.

Adoption of Part III.

10.—(1) The Council shall, on the operative date, set up and shall thereafter maintain two investment pools which shall be called respectively “the trustee investments pool” and “the general pool” and shall be administered by the Council in the manner provided in this Act.

Pooling of investments.

(2) On, or at any time after, the operative date, the Council may carry into the trustee investments pool any such investments and money as belong for the time being to any trustee investments endowment fund.

(3) On, or at any time after, the operative date, the Council may carry into the general pool any such investments and money as belong for the time being to any endowment fund:

PART III
—cont.

Provided that the Council shall not carry into the general pool any investment or money belonging to a trustee investments endowment fund.

(4) The aggregate amount of the certified capital values, certified at the date when they are carried in, of all the investments and money belonging to any endowment fund which are carried into the trustee investments pool or the general pool (as the case may be) at any one time in pursuance of the provisions of this section shall be divided by the nominal value at that time of an investment unit. The result of such division (any fraction amounting to less than one-half being ignored and any fraction amounting to one-half or more being reckoned as one) shall be the number of investment units to which that endowment fund is entitled by virtue of the investments and money so carried in.

Administration
of investment
pools.
1961 c. 62.

11.—(1) The trustee investments pool shall constitute a trust fund for the purposes of the Trustee Investments Act 1961 (“the 1961 Act”) and shall be invested in the name of the Schools or the Council in the manner authorised by section 1 of that Act:

Provided that—

(a) in its application to the powers of investment conferred by the said section 1, section 2 of the 1961 Act shall have effect, subject to the provisions of subsection (8) below, as if—

(i) in subsection (1) of that section, for the words “the parts being, subject to the provisions of this Act, equal in value at the time of the division” there were substituted the words “the value of the wider-range part at the time of the division bearing to the then value of the narrower-range part the proportion of two to one”;

(ii) in paragraph (b) of subsection (3) of that section, for the words “each part of the fund is increased by the same amount” there were substituted the words “the wider-range part of the fund is increased by an amount which bears to the amount by which the narrower-range part of the fund is increased the proportion of two to one”;

(b) nothing in section 3 or section 4 of the 1961 Act shall apply to the exercise of the powers of this Act.

(2) Any money for the time being in the general pool and available for investment shall be invested in the name of the Schools or the Council in the purchase of or on the security of such stocks, funds, shares, securities or other investments (including land of any tenure or any interest therein) of whatsoever nature and wheresoever and whether involving liability or not, and whether or not authorised by law for the investment of trust funds and generally in such manner as the Council shall, in their absolute discretion, think fit.

(3) Any money for the time being comprised in the trustee investments pool or the general pool and awaiting investment may be placed on deposit by the Council in the name of the Schools or the Council with any bank or licensed deposit taker and all interest (if any) payable in respect thereof shall be applied as if it were income from an investment comprised in that pool.

(4) At any time after the operative date the Council if they, for any of the purposes of any endowment fund or in order to separate that fund in whole or in part from the pool, decide to realise any investment units forming the whole or any part of the shareholding of that fund in the trustee investments pool or

the general pool, may effect such realisation by cancelling those investment units and withdrawing from the pool in which those investment units are held either—

- (a) an amount of money equal to the aggregate nominal value of the investment units so cancelled; or
- (b) investments the certified capital value of which is equal to such aggregate nominal value; or
- (c) an amount equal to such aggregate nominal value and composed partly of money and partly of investments the certified capital value of which when added to the amount of such money gives a total amount equal to such aggregate nominal value.

(5) The Council may at any time sell any of the investments for the time being comprised in the trustee investments pool or the general pool if such a sale is required for the purpose of realising any investment units in that pool or is thought by the Council to be expedient.

(6) The Council may at any time vary or transpose any investments in either pool for or into other investments of any nature authorised for that pool, but subject, in the case of the variation or transposition of investments comprised in the trustee investments pool, to the provisions of the 1961 Act, as modified by subsection (1) above.

(7) The income arising from the investments comprised from time to time in the trustee investments pool and the general pool respectively shall be dealt with in the manner specified in section 13 of this Act.

(8) If the Treasury by order under subsection (1) of section 13 of the 1961 Act prescribe a proportion greater than two to one, subsection (1) above shall be amended by the substitution in paragraph (i) and in paragraph (ii) of proviso (a) thereto, of the proportion so prescribed for the proportion of two to one.

12. Whenever the capital value of any investment requires for any purpose of this Act to be certified, the amount of that capital value shall be certified in writing by the auditor. For the purpose of such certification the auditor shall ascertain, calculate or estimate the capital value of the investment upon such basis as is in his judgment the most accurate and reliable basis available and, in the case of any security for which reliable market prices are available, the valuation shall be based on the mid-market price.

Certification of capital values of investments.

13.—(1) The net amount of the aggregate income for any accounting period from the investments comprised in the trustee investments pool or the general pool after deduction of—

- (a) any expenses of administration of the pool;
- (b) any amount which may be retained in the pool in pursuance of the provisions of subsection (3) below; and
- (c) any amount set aside in pursuance of the provisions of subsection (5) below;

shall be apportioned among the endowment funds entitled to share in the pool in proportion to the numbers of investment units in the pool to which those funds are respectively entitled and, in the case of any investment unit or units to which an endowment fund was entitled during only a part of that accounting period, after paying due regard to the time during which that fund was so entitled.

Apportionment of income from pooled investments.

PART III
—cont.

(2) Subsections (3) and (4) below shall have effect for the purpose of enabling the Council, so far as possible, to equalise the rates of the annual distributions of income in respect of the pool.

(3) The Council may retain in the pool and carry to a reserve fund in the accounts of the pool at the end of any accounting period any such amount of income from the investments comprised in the pool, not exceeding such percentage as the Council may by resolution from time to time determine of the gross aggregate amount of that income for that accounting period, as the Council may consider it expedient to reserve with a view to supplementing the income from the investments comprised in the pool to be apportioned in any subsequent accounting period.

(4) The whole or any part of the income thus held in reserve for the time being in the pool may be applied at the discretion of the Council by way of addition to the amount of income otherwise falling to be apportioned in respect of any subsequent accounting period among the endowment funds entitled to share in the pool and as if it were part of that income.

(5) The Council may retain in the pool and carry to a capital redemption account in the accounts of the pool at the end of any accounting period any such amount of income from the investments comprised in the pool not exceeding such percentage as the Council may by resolution from time to time determine of the gross aggregate amount of that income for that accounting period as the Council may consider it expedient to set aside to meet capital losses.

(6) Any sums set aside pursuant to subsection (3) or (5) above shall be invested by the Council in the same manner as that in which money for the time being in the pool and available for investment is required to be invested in pursuance of the provisions of section 11 of this Act and the capital and income of such investments shall respectively form part of the capital and income of the pool.

(7) If an investment is redeemed or terminated or, in pursuance of the provisions of section 11 of this Act, withdrawn from the pool or sold, the Council may deduct a sum, being not greater than the capital loss, if any, resulting from such redemption, termination, withdrawal or sale, from the capital redemption account of the pool, and may apply it at their discretion in meeting the capital loss.

Nominal value of investment unit.

14.—(1) The initial nominal value of an investment unit shall be one pound.

(2) The auditor shall as soon as practicable after the end of each accounting period, and at any other time if so required by the Council, make to the Council a report on the investments for the time being comprised in the trustee investments pool and in the general pool.

(3) If at any time the Council, after investigation and after receiving such report, shall come to the conclusion that by reason of—

(a) the appreciation or depreciation of the capital values of investments;
or

(b) the deduction of any sum standing to the credit of a capital redemption account in pursuance of the provisions of subsection (7) of section 13 of this Act;

the aggregate amount of the capital values of the investments and any money for the time being comprised in the trustee investments pool or the general pool is substantially greater or substantially less than the total nominal value

of all the investment units in that pool, the Council shall make such an addition to or reduction of the nominal value of an investment unit in that pool, as the Council may deem appropriate in the circumstances, so as to equate that total nominal value with such aggregate amount.

PART III
—cont.

15.—(1) The trustee investments pool and the general pool shall be treated for all purposes as if they were funds established under section 22 of the Charities Act 1960.

Supplementary
provisions.
1960 c. 58.

(2) The court and the Commissioners shall have the same powers after the passing of this Act to make and bring into operation schemes relating to an endowment fund, the trustee investments pool and the general pool as they would have if the provisions of this Part of this Act were contained in an order made under the said section 22 instead of in an Act of Parliament; and this Part of this Act shall, accordingly, have effect subject to the provisions of any such scheme.

(3) Except as provided in subsection (2) above, this Part of this Act shall have effect notwithstanding the provisions of any instrument relating to an endowment fund.

(4) The reference to the name of the Schools or the Council in section 8 of this Act and the references to the name of the Schools or the Council in section 11 of this Act shall be construed as including a reference to the name of a nominee of the Schools or the Council.

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LONDON: PUBLISHED BY HMSO

£2.35 net

ISBN 0 10 510690 9



United Medical and Dental Schools Act 1990

CHAPTER vi

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