

What is a constitution?

Many voluntary groups are relatively small in terms of the amounts of money and numbers of staff that they have. These organisations are called **Unincorporated Associations**. This is because they are not incorporated (i.e. they aren't a registered company) and they are a group of people working together to mutually agreed aims. This type of group has a particular kind of agreement governing how it is run, a **Constitution**. This is a set of agreed rules governing how an organisation will be run, how the members will work together and what they are working towards.

Some groups prefer to remain informal and not adopt a constitution. For others, however, a constitution is not only an effective tool for running an organisation but also a requirement because of the activities they are undertaking. For example, a group that wishes to register as a charity, or to undertake to provide services in a community, or to apply for funding, will face barriers if they do not have a constitution. A constitution is also a way of ensuring that public and other funding bodies feel confident that a group is being run properly and its money managed properly.

A constitution must have: -

✘ **Name:** Choose your own. It might reflect the area or the field in which you work.

✘ **Aims/Objects:** This section sets out what the group aims to do. If your group wants to register as a Charity, you will need to consider whether or not these objects will fit in with what the Charity Commission defines as Charitable. The Charities Act 2006 lists 12 specific and 1 general heading:

- The prevention or relief of poverty
- The advancement of education
- The advancement of religion
- The advancement of health or the saving of lives
- The advancement of citizenship or community development
- The advancement of the arts, culture, heritage or science
- The advancement of amateur sport
- The advancement of human rights, conflict resolution or reconciliation, or the promotion of religious or racial harmony or equality and diversity
- The advancement of environmental protection or improvement

- The relief of those in need by reason of youth, age ill-health, disability, financial hardship or other disadvantage
- The advancement of animal welfare
- The promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services
- Other purposes that are currently recognised as charitable or are in the spirit of any purposes currently recognised as charitable.

✘ **Powers:** This covers what a group can do to achieve its aims. Things such as:

- Fundraising
- Networking
- Hiring equipment/premises
- Employing staff.

✘ **Membership:** A group's membership is made up of people who are interested in working together to achieve the aims of the group. To become a member a person would have to sign a membership agreement and, if the group wished, pay a membership fee.

If a fee was payable then there would be rules about who **couldn't** be a member. The following groups are excluded:

- People under 18
- People who are bankrupt
- People who have an unspent conviction
- People who are unable to look after their own financial affairs would be excluded from membership if the organisation were to be a charity.

✘ **Management Committee or Board of Trustees:** This committee has responsibility for management of the group. It is up to the group how many Committee members it has, although for most organisations the allowed minimum would be three. There is no maximum but it would make the group unwieldy and inefficient to have too many.

There are different types of Committee member:

ELECTED by/from the membership. Most Committee members will be appointed in this way.

NOMINATED by another group.

CO-OPTED by the Committee due to their skills/knowledge.

It is in the interests of the group to ensure that no one on the Committee benefits financially from being a Committee member.

Officers: A committee has officers who carry out its main jobs, usually at least three:

- ✘ **A Chair:** Who ensures Committee meetings run smoothly, decisions are made, plus has other duties
- ✘ **A Secretary:** Who informs every one of meetings and takes minutes
- ✘ **A Treasurer:** Who oversees the money of the group and any payments it makes. The treasurer will report to the Committee regularly about this.

✘ **Committee Meetings:** Meetings of the committee are held to share information and make decisions. Committee meetings should be governed by the constitution, which can specify the minimum number of Committee members needed to make a decision (quorum)- often set at 3 committee members- and the minimum number of meetings to be held over a year. All members of the Committee must be given at least 21 days' notice of a meeting.

✘ **Annual General Meetings:** Every year the group will need to have an Annual General Meeting (AGM), the first one being within 15 months of the group setting up. The AGM is a chance for the Committee to inform members what's going on and a chance for the members to hold the Committee accountable. It is also when the annual accounts are presented.

The constitution should also allow for other general meetings called special or extraordinary general meetings.

✘ **Finances:** To have a bank account, it is good practice to have a minimum of 2 people are needed to sign the cheque book. These two people must not be related.

✘ **Changes to the constitution:** Any changes to your group's constitution should be brought for comment and voting to your Annual General Meeting (AGM), where they need a 2/3 majority vote to be passed. If your group is an unincorporated charity, you can change the parts of your constitution that concern the general running and administration of your group without getting prior approval from the Charity Commission. E.g. how many committee members are needed to form a quorum at meetings. You must remember to keep the Charity Commission register entry for your group up-to-date.

If your group is a charitable company, and you wish to make changes to your constitution, you need to follow the requirements of Company House plus seek consent from the Charity Commission for specific amendments concerning the essential character of the charity, e.g. the objects of the charity in its governing documents; what happens to property if the group is closed down.

✘ **Closing down the Group:** There must be provision in the constitution to close down the group. A meeting of the membership should be called, and a majority vote in favour is needed. The group must pay all its bills. If there is any money left, it should be given to a group that does similar work.

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