

Writing a constitution for your group

Introduction

A Constitution is a set of rules stating what your group wants to achieve and how it will be run.

This guide relates to the Rules or Constitution for an unincorporated association. There may be more

appropriate structures for your group which would require different sets of rules, such as a Company Limited by Guarantee which requires Memorandum and Articles of Association. For more information visit the Charity Commission website at www.charity-commission.gov.uk.

Why do you need a Constitution?

Some groups feel that they do not want to be so formal as to have a Constitution. There are many groups of friends or acquaintances who meet together informally for years for a specific purpose and who do not have a Constitution. It might be people with a common interest in books, for example, who meet regularly to compare notes on the latest novel they have read. They could have an informal arrangement to host the meeting in turn and provide refreshments. It is easy to see that they could manage very well without rules.

However, when a group embarks on certain activities or takes on responsibilities, then more formality is needed. An example of this could be if the Book Club described above, decided to extend its activities and raise funds to provide a book loan service to isolated people in the community. They would then need to purchase a stock of books, decide the area that they were going to offer their service, meet ongoing costs such as transport, telephone and postage and publicise their

activities. If the group began to develop in this way, then writing a set of rules would become a priority.

A group would require a Constitution if it wanted to:

- Open a Bank Account
- Apply for grants or funding
- Register as a Charity
- Provide certain services in the community



Other advantages to having a Constitution

- The exercise of drawing up your Constitution allows your group to think carefully about its aims and objectives and its proposed activities.
- It sets out how your group will run and avoids disagreements in the future
- It gives people, such as funders, credibility in your group. They can see you have adequate systems in place such as sound financial management and accountability to your members.
- People who are joining your group can clearly see what your aims are and can decide whether they support them.

What needs to be in a Constitution?

Name of the Group

Try to choose a name that will reflect your aims. If you are working in a specific geographical area you might like to include that also in the name, for example 'High Peak Books on Wheels'.

Aims (or Objects) Clause

This clause sets out what you want to do and any geographical boundaries within which you want to work.

If your group intends to register as a charity then this clause needs to contain aims that are completely charitable. Even if you do not register as a charity, prospective funders (e.g. Community Fund) may consider whether your aims are charitable when deciding whether to make a grant to your organisation.

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The 'Books on Wheels' group could, for example, have an Objects Clause which reads:

'To provide opportunities for recreation and stimulation and improve the quality of life of rurally isolated older people and disabled people in the Borough of High Peak by the provision of a door-to-door book service and discussion group'

Powers

This sets out all the things you are going to do to achieve your aims. As noted above the Aims or Objects Clause is written so that it is clear that what you are trying to achieve is doing good. (i.e. it is 'charitable'). The Powers Clause lists all the other things that you will probably have to do. These, in themselves, are not charitable and that is why they need to be kept separate from the Aims. They include such activities as:

- Raising funds
- Working with other agencies e.g?
- Purchasing equipment
- Employing staff
- Taking out insurances
- Taking premises on lease

It is also advisable to include a power to 'do all such other things as will enable the organisation to achieve its Aims'

Membership

This Clause describes who can become a member of your group or organisation. This should be people who want to help achieve the aims. This clause can include:

- Procedures for applying for membership
- Any different kinds of membership, for example junior membership or family membership
- Voting rights of members, for example at Annual General Meeting
- Whether there will be any subscription
- Procedure for terminating membership – Sometimes it is felt necessary to include a clause allowing for membership to be terminated 'for good and sufficient reason'. If so, it would be considered good practice to make allowance for the member to challenge any such decision at a meeting called for that purpose at which he or she can be accompanied by a friend.

Management Committee

This is the body responsible for running the group and the Clause needs to include:

- The number of people who will make up the Committee. You don't have to give a precise number. You could for example say not less than six and not more than nine. This would be helpful

if occasionally can't attract enough people to your Committee.

- The Officers who will be appointed. This usually includes a Chairperson, Treasurer and Secretary. You could include in this clause wording such as 'and other officers as the Management Committee may decide'. This would leave you free to appoint a Vice Chair, for example.
- How the members of the Management Committee and the Officers are to be appointed. This is usually at the AGM. It should also state whether members can be re-elected or whether they have to stand down after a certain time.
- Provision for people to be co-opted with special skills or knowledge, or to fill a vacancy between general meetings.
- Provision for the Management Committee to appoint sub-committees to deal with particular aspects of the group's work, such as fundraising.
- The number of members of the Committee who need to be present before decisions can be made (the quorum). One third of members attending would be a reasonable number in order for decisions to be taken.

Committee Meetings

This clause sets out details of how the Management Committee carries out its business. It includes:

- How often meetings need to take place
- How members will be informed of meetings (How much notice is necessary)
- How decisions are made
- What is the minimum number of people in attendance for a decision to be made (known as 'a quorum')
- Provision that decisions taken at meetings will be properly recorded (Minutes)

General Meetings

Arrangements for Annual General Meetings and other General Meetings should be set out. This will include how much notice members will be given and how they will be advised of general meetings. It should also state how many members need to be present before the meeting can be held. For a general meeting with wider membership than the committee then it should be decided what might represent a reasonable percentage (10% attendance could be considered a reasonable number).

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Finances

Details should be in the Constitution of how the finances of the group will be handled. For example:

- There should be a Bank Account opened with at least two signatories required with the authority to sign cheques, they should not be related to one another.
- The Treasurer should be responsible for keeping accurate records of the groups accounts and these should be presented at the Annual General Meeting.

Alterations to the Constitution

It is important to include a Clause about how changes can be made to the Constitution. This usually would require a special general meeting to be called with the changes clearly explained in advance so that people could decide whether they agreed.

Closing down the Group

If it is considered necessary or advisable for the group to close, the Constitution should make clear what will happen to any assets remaining after all debts have been settled. It is usual to assign these funds to a group with similar aims. The Constitution should set out any procedures for deciding to terminate the group's activities in this way by calling a special general meeting with notice of the proposal to close down the group.

This fact sheet is one of a series of fact sheets produced by High Peak CVS. **They can all be downloaded from our website www.highpeakcvs.org.uk/how**

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training and with legal issues. We have resources, including a meeting room, computers and OHP for use by groups.

To find out how we can help your group, please contact us on 01663 735 350 or email hello@highpeakcvs.org.uk