

FACT SHEET 2 – WRITING YOUR CONSTITUTION

What is it and why do we need one?

A constitution is a written document which sets out the rules of how your group is run. It tells people what your group does and where it does it. It identifies who can be a member and how members can be involved. It also details how the group is run, where there is a committee and/or working groups.

The constitution tells prospective funders that a group is properly organised and has rules for the spending of any monies/funds that you may have. It shows that the group's aims and rules are clear and agreed by members, and there are set procedures in place regarding any funds. Most funders will want to see a copy of your group's constitution before considering an application from you.

What a constitution contains

These are the most common things covered in a constitution. Some are essential (such as the name of the group and its aims). Specialist groups may have extra items included.

- **Name** - of the group
- **Objects** – can be called aims, objectives or purposes. These are generally a few brief, overall statements. They must be charitable, benevolent or philanthropic.
- **Powers** – a description of how the group may achieve its objects or purposes.
- **Committee** - a description of how the management committee is elected or appointed.
- **Membership** – if the group has a membership, a description of how people can join.
- **Payments or benefits** – if expenses or other costs are made to members or the management committee, this should be explained.
- **Closing down** – a description of what will be done with any surplus funds or assets if the group is wound up; this is sometimes called dissolution.

Step by step

Name

The name of your group is very important and must be unique, ie no other group has the same name. You need to ensure that your group cannot be confused with another similarly named group and that its name is not offensive to anyone (this also applies to abbreviated names for the groups and also its initials). You can check the registers of charity and company names at www.charitycommission.gov.uk and www.companies-house.gov.uk.

Objects

This covers what your group wants to do, both now and in the future. You need to think carefully how you word this section as this is the part that is the most difficult to change, but also the most likely. By keeping the wording 'broad' you can add to or decrease your activities without the need to change the constitution ie instead of saying 'running a lunch club or after school club' you word it 'promoting services for older people' or 'advancing the education of young people'. By wording it carefully you can add another activity or even stop providing a particular activity.

You must be largely charitable so your objects need to be benevolent or philanthropic. Charitable objects are recognised in law as follows:

- Relief of the poor, old, sick or disabled people
- Advancement of education
- Promotion of religion (although grants are usually not made for religious activity)
- Other purposes beneficial to the community (providing community buildings, protection of the environment).

Your objects should also state which 'area' you want to cover – an estate, a parish, a single ward, anyway that people can identify as an area. You can include the wording 'and surrounding area' thereby allowing your group to grow in the future.

Powers

This section is about what the group is allowed to do to run its activities and meet its objects, so again you need to choose your words carefully in order to allow the group to expand in the future. You don't have to be doing all that is listed here but it is there if you need it in the future. Areas you need to think about listing here are:

- Raising money/funds
- Recruitment of volunteers
- Employing staff
- Buying or leasing premises and equipment
- Carrying out research
- Entering into contracts
- Deciding the membership and setting a membership fee
- Working in partnership with other organisations doing anything else within the law that is necessary to help achieve your objects.

Membership

All groups have members and it's the members who essentially own and control the group. You need to consider the following:

- Who can be a member? Do you want to restrict membership to a particular group, ie older people, or to a particular area ie a couple of roads.
- Are you going to charge a membership fee and who decides how much?
- What does membership entitle the member to? Do you want different levels of membership ie family groups, individuals, concessions? Will all members have a vote? (if you are planning to become a registered charity either now or in the future, you need to be aware that there are guidelines as to who can have a vote and people under the age of 18 are not allowed to be full members of any charity).
- How will membership be recorded?
- How can you stop someone being a member
- How does the group take away someone's membership?

Meetings

This is where the work of the group is discussed and any decision making taken. In small groups the decisions are usually taken by all members at the meeting. In a larger group, a committee is usually elected to run the day to day activities and make decisions on behalf of the members. Your constitution needs to cover both types of meetings and list any rules.

General meetings are open to all members and at least one of them should be held a year, known as the Annual General Meeting. The group can also decide to hold regular meetings throughout the year if they feel they are needed. Your constitution should list:

- The minimum number of meetings you will have and when you will have them (monthly/quarterly/etc), together with details of the notice you have to give members that a meeting is taking place.
- How many members are needed for the meeting to go ahead (known as the quorum). It is usual to give both a minimum number ie 5 and also a percentage ie a tenth and use whichever is the greater.
- Who can vote and how? Do you need two-thirds-one-third majority or are you happy with a majority? Can you vote if you don't attend a meeting and if so how?
- How members (not the committee) can call a meeting and the minimum number of requests required to do so.

Annual General meetings are where the formal matters are dealt with such as the annual report, the accounts, election of the committee together with the general work of the organisation.

Committee meetings are held to manage the day to day activities and decision making by the committee members. If a charity, the committee members are called 'trustees' and if a company the committee members are called 'directors'. You will need to consider:

- How many committee members are needed (you should specify a minimum and maximum number). Three is normally the minimum and for a small group, no more than twelve members (guidelines only).
- When they are elected (usually at the AGM).
- The length of service before the need to be re-elected.
- The need for reserved spaces for someone from a particular funding body or someone operating the building from which you meet (examples only).
- What happens if someone leaves or resigns during the year – do you want to wait until the AGM before re-electing or be able to co-opt people beforehand? Any co-opted members become full members and have full responsibility the same as members.
- How to remove a committee member and under what circumstances.
- How frequently the committee will meet in a year. Who will call the meetings and what notice is needed?
- The minimum number needed (quorum) for the meeting to go ahead and also the minimum number needed to make decisions.
- Can sub groups or working groups be set up and if so, how many committee members should be on them?

Officers

Most committees have named officers to carry out certain tasks – a Chair person, Treasurer, and Secretary. Many also have additional roles such as Vice Chair, Press Officer, Publicity Officer, etc. Your constitution needs to show how these officers are chosen – elected at AGM, appointed at the first committee meeting or the Chair being elected at the AGM with other posts decided at a committee meeting.

Money

You need to be very clear about how money issues are dealt with. Consideration should be given to:

- Opening a bank or building society account
- Who should sign any cheques and the number of cheque signatories (usually a minimum of 2)
- Who can order items or enter into agreements on behalf of the group
- Payment to any member – this is not usually allowed except for reasonable 'out of pocket' expenses

- Whether your accounts need to be examined each year (do not use the word auditor unless you are required by law to have a full audit otherwise the group will be landed with an unnecessary expense).

Changing your Constitution

No matter how well written your constitution is, you may need to make changes to it in the future so you need to make allowances for this in the document.

Usually a special general meeting of all members is arranged, following guidance about how the meeting is arranged and how much notice is required. There may be a requirement for more members than normal to be present or a bigger majority in favour of any change. This is because all current members signed up to the existing rules and you need to be sure that they are in favour of any changes to those rules.

Closing Down

Sometimes groups have to close down or wind their activities up. This can happen because its aims have been met, there is lack of support or the group has been overtaken by another, or simply because circumstances have changed.

This needs to be done in a similar manner to how the constitution is changed. A special general meeting is arranged to discuss the proposal. If you are winding up because of lack of support and not enough people attend the special meeting to make a decision, you would normally call a second meeting and make a decision based on a simple majority or the members who do turn up.

What will happen to any monies or equipment after all the debts have been paid?

Normally anything left is given to a similar group or charity. Any funder will want to see that any funds etc are not just shared out amongst any members remaining.

Writing and adopting a constitution

Once your committee has decided the terms of your constitution and a draft has been prepared, a special public meeting needs to be called so that the draft can be agreed (and changed if necessary) by all of the members at that meeting. When it has been finally agreed, it should be signed by all members of the committee. You need also to include the date and place of the meeting that it was agreed at.

The signed constitution should be kept somewhere safe and all members should be given a photocopy when they join the committee. Always keep the original and use photocopies of the document to support any funding applications, etc you may prepare.

Hopefully you now have enough information to prepare and write your own constitution. However, please contact us if you have any questions or concerns.

The Community Development Team – 01202 633430 or 01202 633045

Email: community.development@poole.gov.uk

Write to: Housing & Community Services, Borough of Poole, Civic Centre, Poole, Dorset BH15 2RU