

A Constitution?

Factsheet 11

Nov 09

from the top

Many community groups are relatively small in terms of the amounts of money and staff that they have. These groups are called **Unincorporated Associations**. This is because they are not *incorporated* - in other words, they are not a registered company. They are simply a group of people working together to mutually agreed aims.

This type of group may have a particular agreement which governs how it operates. This is generally called a **constitution**, which 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.



why have one?

Some groups prefer to remain informal and not adopt a structure with a constitution. For others, however, a constitution is not only an effective tool for running an organisation but actually a necessary requirement because of the activities they are undertaking. For example a group that wishes to register as charity, or provide services in a community, or apply for funding will face problems if they do not have a constitution.

A constitution is also a way of ensuring that the public and funding bodies feel confident that a group is being run properly and its money is being managed properly.

what's included?

Name of the group

Choose your own. It might reflect the area or the field in which you work.

Objects

This section sets out what the group aims to do. If your group wants to register as a charity then you will need to consider whether or not these objects will fit in with what the Charity Commission defines as 'charitable'.

'Charitable' objects fall under four general headings: **1)** the furtherance of education, **2)** the furtherance of religion, **3)** the relief of poverty, and **4)** anything that is of benefit to a large proportion of the population.

Powers

This covers what a group can *do* to achieve its aims. These are things such as:

- ◆ *Fundraising*
- ◆ *Hiring equipment/premises*
- ◆ *Networking*
- ◆ *Employing staff*

Membership

A group's membership would be made up of people who were 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 need to be rules about who **couldn't** be a member, including the following groups:

- ◆ People under 18,
- ◆ People who are bankrupt,
- ◆ People with an unspent conviction,
- ◆ People who are unable to look after their own financial affairs.

Management Committee

This committee has the *responsibility* for management of the group. It is up to the group how many 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 3 different types of members:

ELECTED - *by* and *from* the current membership. This is the way that most committee members are appointed.

NOMINATED - by another group

CO-OPTED - by the committee due to the skills/knowledge of the person.

It is in the interests of the group to ensure that the committee members don't benefit financially from being on the committee.

Officers

A committee has officers who carry out its main jobs. There are usually at least three:

1. A **Chair**: ensures meetings run smoothly and decisions are made.
2. A **Secretary**: informs people of meetings and takes minutes.
3. A **Treasurer**: oversees money of the group and any payments it makes, providing regular reports to committee.

Committee Meetings

Committee meetings are held to share key information and make decisions. They should be governed by the constitution, which specifies the minimum number of members needed to make a decision ('quorum') and the minimum number of meetings to be held over a year. 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, the first one being within 15 months of the group setting up. The AGM is a chance for the committee to tell members what's going on and a chance for the members to hold the committee accountable. The annual accounts are also presented.

Finances

It is good practice to have a bank account with a minimum of two people, not related, who should sign the cheque book.

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 specific majority vote in favour needed. The group must pay all its bills and if there is any money left then it should be given to a group which does similar work.



Bury Business Centre
Unit 23 Kay Street, Bury
T: 0191 797 1968
E: adam@b3sda.org.uk
W: www.b3sda.org.uk

For more information or support please contact our Development Worker // Emma Walsh