

Constitutions

A guide to Constitutions and why it's good to have one.

What is a constitution?

A constitution is a document that sets out why a voluntary organisation or community group exists, and how it is managed. Most voluntary organisations have a constitution unless they are:

- A very informal group who just meet for mutual benefit or support, and don't feel the need for a governing document;
- An organisation that has decided to become a non-profit-making company, in which case they will have Articles of Association and Memorandum.

Why do we need a constitution?

There are a number of reasons for having a constitution. These include:

Having clear statement of the aims of the group (sometimes referred to as Objects). It is important that the people involved with the group, and other people and organisations, understand what the group has been set up to do.

Having set of guidelines or rules about how the group should be run, who can be a member of the group, how finances should be managed etc.

Groups applying for funding from other organisations will almost always need a constitution. Many funders will ask to see a copy of a groups constitution before they will give them funding.

A group wishing to become a registered charity will need a constitution to submit to the Charity Commission.

How do we get a constitution?

Every group's constitution is different, but most follow a very similar format. There are a number of ways in which you can find a constitution which is suitable for your group.

- Get the help of DDCVS. We will be able to provide you with advice and support in developing a constitution which is appropriate for your group.
- If you are a local branch of a national organisation, then you might be able to get a model constitution from them.
- The Charity Commission also has a model constitution that voluntary organisations can adopt. Have a look at their example via the website <https://www.gov.uk/government/organisations/charity-commission> and search for Model Governing Documents.
- Write one yourself from scratch!

What should a constitution include?

The different parts of a constitution are usually known as 'clauses', and are often given a number, so that people can refer to a particular clause (e.g. 'it says at clause 3.1 that we have to ...'). Most constitutions have the following clauses:

- **Name of the organisation**

This simply states the name of your group, and any other names by which it might be known.

- **Objects**

This clause states clearly what your group aims to do. For example, your Object or Objects could be something like **'The Object of the Club shall be to provide opportunities for social interaction and recreation for socially isolated older people living within a five mile radius of the village of Greendale in the Derbyshire Dales.'** Care should be taken when writing your Objects to ensure that they are not too restrictive, too vague, or too ambitious. An Object that says **'We aim to make the World a better place'** does not explain how you will do this, and is certainly very ambitious!

If you plan to become a registered Charity, your Objects will have to fit in with the Charity Commission's definitions of charitable objects. Seek advice from a CVS or similar organisation before taking this step. They will be able to advise you about how to word your Objects clause.

- **Powers**

This clause defines what the group can do to achieve its Objects. Powers could include the power to fund-raise, employ staff, own or lease property, borrow money etc. The powers that your group needs will depend on what the group does and how it will be run.

- **Membership**

This clause defines who can be a Member of the group, how membership is defined (i.e. what someone needs to do to become a member), if a membership fee is payable, and the rights and benefits of membership. Being absolutely clear about who is a Member of the group is very important if Members have the right to vote at AGMs, nominate people for the Management Committee etc.

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- **The Management Committee**

This clause states how the Committee members are elected, how many there should be, defines different roles on the Committee (e.g. Chair, Treasurer, Secretary) and how long individual members can serve for.

- **Management Committee meetings**

This clause states how often the Committee should meet, how meetings should run, and how many people should be present to enable decisions to be made (often called a 'quorum').

- **Annual General Meetings (AGMs)**

This clause states when AGMs should be held, and the things that should be done at an AGM. These are usually the election of Committee members, receiving the annual report of the Committee and the annual accounts, and electing an examiner for the group's accounts.

- **Extraordinary General Meetings (EGMs)**

EGMs are meetings that are called so that the members of the group can discuss important issues and vote on them. Reasons for calling an EGM might include: changes to the group's constitution; finishing the group; or if a proportion of the members decide that they want to change the group in some way. This clause in the Constitution explains why and how EGMs can be called, and how an EGM should be run.

- **Finance**

This clause is important as it states how the group's money will be managed. It will define the group's financial year; make clear that the group's money will be used only to further its Objects; state that no Committee member will benefit financially from the group; and make clear who can sign cheques on behalf of the Committee. It might also define the role of Treasurer and that of an independent examiner.

- **Dissolution**

If the Committee decides that it wants the group to finish (it might no longer be needed, or it might be difficult to continue for some reason) this clause explains how to do it. This usually involves calling an EGM, making sure that the group's debts are settled, and deciding what to do with any money or other assets that the group has.

- **Amendments to the Constitution**

As groups change and develop, they sometimes need to change their Constitution. This clause explains the procedure to follow if the Committee wishes to alter its constitution in some way. (Note that if you are a registered charity, any changes need to be approved by the Charity Commission.)

Some important things to remember!

When you have decided on a constitution that you are happy with, your management Committee must vote to approve the Constitution, this must be recorded in the minutes of the meeting, and the Constitution should be signed and dated by at least two of the Committee members present. A constitution is not valid unless it is signed and dated.

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Keep the signed copy of the Constitution safe. If you need to send your Constitution to anyone, such as a funder, take a photocopy of the original. Don't have unsigned, undated or out-of-date copies of the Constitution in circulation; this just causes confusion.

Make sure that the Constitution you choose is written in clear, plain language that is understandable to everyone in the group. Avoid constitutions that are full of legal jargon, Latin phrases etc.; it is not necessary to use this sort of language. Remember that a Constitution is intended to help you run your group, not confuse you and cause arguments!

If you need further help, please call Derbyshire Dales CVS on 01629 812154 or email enquiries@ddcvs.org.uk : we can offer you free information and advice.