

# Ryedale Voluntary Action

# Factsheet

## Constitutions

### What is a constitution?

Many voluntary 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 (ie. 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 called a Constitution. This is a set of agreed rules governing how a group 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 a group but actually a requirement because of the activities they are undertaking. For example a group that wishes to register as charity, or undertake to 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 managed properly. A constitution is often referred to as your "governing document".

### **A constitution must have these headings as a minimum requirement.**

#### **Name**

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

#### **Objects**

This section sets out what the purpose of your group is and 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 Purposes—also referred to as activities which are of "public benefit". They have 4 general headings: The furtherance of Education, the Furtherance of Religion, the Relief of Poverty and anything else that is of benefit to a large proportion of the population.

#### **Powers**

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

- Fundraising activities you will carry out
- Networking
- Hiring equipment/premises
- Employing staff

#### **Membership**

A group's membership should be 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, i.e.

- 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 group was to be a charity

### **Management Committee**

This committee has responsibility for the management of the group. It is up to the group how many members it has although for most groups 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:

**An elected member**—someone elected onto the committee by and from the membership of the group. Most Committee members will be appointed in this way.

**A co-opted member**—someone who is co-opted onto the management committee by the committee due to their skills/knowledge.

It is in the interests of the group to ensure that individual committee members don't benefit financially from being a committee member and that rules about this are stated in your constitution.

### **Officer Bearers**

A Committee has office bearers who carry out its main jobs. There are usually at least three: a Chair, a Secretary and a Treasurer. For more information please refer to the management committees factsheet.

### **Committee Meetings**

Meetings of the committee are held to share information and make decisions and should be governed by the constitution, which can specify the minimum number of Committee members needed to make a decision (quorum) and the minimum number of meetings to be held over a year. All members of the Committee must be given at least 14—21 days notice of a meeting.

### **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 been achieved and a chance for the members to hold the Committee accountable for the work they have done on behalf of the group. It is also when the annual accounts are presented.

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

### **Finances**

It is good practice to have a bank account with a minimum of three people who can sign the cheque book. These three people must not be related and all cheques should be signed by two people.

### **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.

**Contact RVA on 01653 600120 or email [post@rva-cvs.org.uk](mailto:post@rva-cvs.org.uk) for further information, help and advice. Model constitutions are also available on the RVA website [www.ryedaleva.org.uk](http://www.ryedaleva.org.uk)**