

# Guidance for community and voluntary groups: Creating and improving your Constitution

## Topic: Constitutions

### Why does my group need a constitution?

You don't have to have a constitution if you are an informal group, but sometimes you will need to have a constitution. For example, if your group:

- ◆ Wants to **become a charity**, social enterprise or other legal body
- ◆ Will be **applying for funding**
- ◆ Works in an area where there are **personal liability** issues
- ◆ Will be **providing services** as a 'community group'
- ◆ Wishes to take part in many types of **commissioning activity**.

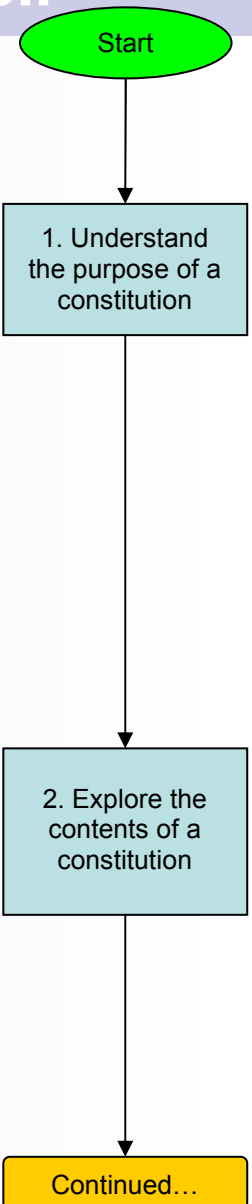
The best reason, however, is that a constitution reminds you and your members why the group exists and what its core rules are.

Note that if you wish to become a charity then there will be additional requirements (although the basic principles are similar): These can be found by looking at the Charity Commission web site.

### What does a typical constitution look like?

A constitution is a document that is 'owned' by your management committee. It should clearly show:

- ◆ The **name of the group**
- ◆ **When** the constitution was **approved** and by whom
- ◆ The **aims of the group** (usually called objects, in other words 'what the group sets out to do')
- ◆ The **powers of the group** (how the group will achieve its aims)
- ◆ The **membership of the group** (who is eligible to be a member, and anyone that is not)
- ◆ Your **management committee**, how many you will have, how committee members are selected, what their responsibilities are
- ◆ Your **officers**, for example whether you will have a Chair, Secretary, Treasurer and whether any other officers will be needed
- ◆ How you will conduct your business (specifically **meetings** of the officers and committee), the minimum number that must attend a management committee meeting (also called a quorum), and how much notice of meetings will be required
- ◆ Annual and special **general meetings**, when they are called, how members are notified, key agenda items such as the presentation and approval of the group's financial accounts, and how officers and committee members will be elected
- ◆ How **finances** are to be managed and who can draw money from the group's bank accounts.
- ◆ What happens if the group decides to **dissolve** itself (where surplus funds go to) and how the decision to wind up needs to be taken (for example: 2/3rds of the members must vote for dissolution at an AGM or special general meeting)



## How should constitutions be used?

In practice constitutions are mostly used when there is a problem, such as a conflict of interest or too few committee members are attending a meeting and the officers need to check the 'quorum'. However, constitutions should also be used on a regular basis so that the group can remind itself as to why it exists and what its purpose is. Perhaps your group is growing and needs to expand its purpose, or maybe the original purpose has been satisfied and now it needs to decide whether to dissolve or amend its objects? It is also worth reviewing your constitution annually to check that your rules are adequate: Is there sufficient guidance as to how committee meetings should be conducted, or how finances should be managed?

However, constitutions should be as short as possible whilst remaining clear. If additional 'procedures' are required, these may take the form of separate documents.

## ILCM Health Check Context

ILCM Level 2 and beyond requires that you have an effective and useful constitution that is maintained so that it is up to date and can be referenced whenever required.

Within the Level 2 Health Check you will be asked to show not only that you have one, but that it sets out what your group is intending to achieve, what the rules of your organisation or society is, and that it has been properly approved for use.

You should make sure before your Health Check that your constitution document can be found and that there is evidence that it has been signed off.

## Checklist

The ILCM Level 2 Preparation Checklist (in your ILCM Level 2 Toolkit for Community and Voluntary Groups) provides an excellent means to verify whether your constitution is supporting your organisation and is being used properly.

Complete the checklist now. If a Community Development worker or officer is helping you to set up your group or work with you to develop what you do, ask them to review your constitution with you or attend a committee meeting to support your committee with any queries that they may have.

## Review of Best Practice

It is helpful to check your constitution against best practice: there are some very good templates and model constitutions in existence, such as:

- ◆ The Charity Commission (Model Governing Documents) - [www.charity-commission.gov.uk/registration/mgds.asp](http://www.charity-commission.gov.uk/registration/mgds.asp)
- ◆ Sport England's model constitution for sports clubs [www.sportengland.org/templateimodelconstitution.doc](http://www.sportengland.org/templateimodelconstitution.doc)
- ◆ Leeds Tenants Federation's template for Residents and Tenants organisations [www.leedstenants.org.uk/ModelConstitution.htm](http://www.leedstenants.org.uk/ModelConstitution.htm)
- ◆ Moray Council's template for Area Forums [www.yourmoray.org.uk/CPExtranet/Documents/LNFModelConstitution.pdf](http://www.yourmoray.org.uk/CPExtranet/Documents/LNFModelConstitution.pdf)

## Discussion

Your management committee, or trustees should sit down and review the best practice that you have identified and look at your constitution.

Make a list of all your suggestions for improving your constitution:

## Actions and Evidence

Now make a list of the actions that come from your discussion and from your checklist answers, and assign actions to the relevant committee / board members. When your actions are completed, make a note of where the evidence may be found (for example "In the Constitution file").

Your pack contains an ILCM Action List pro forma for your use: Print out more copies if you need them.

