

Constitutions

What is a constitution?

A constitution is a written description of what an organisation is, what it does, and how it does it. There are different terms used for a constitution depending on the legal structure of the group.

An unincorporated association would adopt a 'constitution' or a 'set of rules'.

A trust would adopt a 'Declaration of Trust'.

A company would adopt a 'memorandum and articles of association'

Why is a constitution needed?

Very often an organisation can be operating for a number of years very informally without a constitution (although a company must have one to be registered). There may be a point at which it is recognised that the group needs to formalise itself. Examples of the types of catalyst for such a change could include - an identified need for service development, a need to work more formally with local authorities or the need to secure funding for a particular aspect of the work being done. The development of a written governing document for the organisation can help to ensure that:

1. the groups aims and objectives are clear and agreed
2. there is a clear process for decision making within the organisation
3. the organisation gains credibility with funding bodies
4. the lines of responsibility and accountability are clarified
5. the group can register with the Charity Commission
6. there is a process for formally appointing the people who run the group

Model and standard constitutions

Before starting to develop a constitution it is important to think about whether the organisation will now, or at some point in the future, need to register with the Charity Commission. If this is likely to be the case then it is advisable to adapt one of the model constitutions approved by them. This is because it is more difficult to develop a charitable constitution and homemade ones may result in considerable objections or lengthening of the registration procedure with the Charity Commission. The range of approved models include:

model constitutions for charitable unincorporated associations, trusts and companies produced by the Commission themselves

a constitution for a Community Association produced by Community Matters

the Wales Pre-school Playgroups Association standard constitution, which can be adopted by all playgroups.

There are in addition a large variety of other models and standard constitutions designed for a range of specific purposes. For further information on the models that may be most suitable for your group, contact PAVS.

If registration is not likely to be required, it may be simpler to develop a constitution from scratch. There is no obligation to use a standard or model governing document. Some guidelines on the minimum requirements for a governing document follow.

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Questions to think about when developing a constitution

- The name of the group
- What are the aims and purposes of the group?
- Who is the group set up to help?
- Who should be entitled to become a member of the group (e.g. Do they have to live within a certain area? Is membership open to groups, individuals or both? Should members be between certain ages?)
- What should people have to pay to become a member?
- Should there be different types of membership for different types of people / groups?
- How many people should be on the committee? What is the smallest number and what is the largest number that should make up the committee?
- How will the committee be chosen or elected? Who should be allowed to sit on the committee?
- What sorts of things should the committee be responsible for?
- Are there other people who should be allowed to come to committee meetings? Should these people be allowed to vote?
- How often should the committee meet?
- Are there any particular rules that should be set?
- How long should people serve on the committee for?
- Should there be any people on the committee with special responsibilities? (e.g. chairperson, secretary, treasurer) If so, how will these people be chosen or elected?
- How will the committee keep all the other members of the group informed about the decisions they make and the work they do?
- How should the money and property of the Association be looked after?
- What happens if the rules in the constitution need to be changed, or new things have to be added?
- What happens if the Association is not needed any more? How can it be ended?

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Steps to take when developing a constitution?

- Pull together a group of interested people, which could be done by calling a public meeting to establish the need for such a group. People who are interested in driving things forward are sometimes known as the steering group or the steering committee.
- From the steering committee, set up a working group to develop a constitution (models constitutions and support are available from PAVS)
- Working group presents a draft constitution to the steering committee.
- Steering Committee puts forward comments & suggestions
- Working group amends constitution and re-presents it for further amendments or for adoption
- Steering Committee agrees and adopts constitution (the adoption of the constitution needs to be minuted)
- Steering Committee signs and dates constitution
- Bank account for the group is set up (Bank account name should be the same as the name on the constitution)
- Constitution formally approved at the first AGM. This meeting could double up as a formal launch of the group. This process does not cost anything.
- There is no need to register with any formal bodies unless the group intends to be a Company Limited by Guarantee or a registered Charity.

