

How to Constitute your Group

Many funders will ask you to show them your constitution before you can qualify for receiving funding from them. Open Up North East Co-ordinator Philip Clark talks us through how to go about becoming a constituted group. With extra information from the <u>ib4community</u> website.

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1. Introduction

Most sources of funding are only available to groups with a bank account, and banks will only allow an account to be opened if you have a constitution. If you don't currently have a constitution, you can create your own. If you are considering registering with the Charity Commission in the future, it is a good idea to adapt one of the model constitutions that they approve.

2. What is a constitution?

A constitution is basically a written agreement of what a group is going to do and how they will do it. Constitutions are important because they can help people to understand exactly why they are working together and can help them to plan how best to get things done. They can help to solve disputes and outsiders can see that your group is democratic and accountable. All the above are reasons why you should make sure your constitution reflects properly the way you want to do things.

3. What to include in your constitution

The information below will help you write a constitution if you are part of a group that does not intend to become a registered charity. Whilst there are a large number of reasons for groups starting up, most constitutions have similar headings and structure. There are a number of headings you should probably include in any constitution.

- Name of Organisation
- Aims and objectives
- Powers
- Membership / Constituency
- Meetings

- Committee
- Rules of Procedure
- Finances
- Dissolution
- Amendments to Constitution
- Aims and objectives Why are you setting up this organisation? What do you want to achieve? However, beware of defining their aims and objectives too tightly. Leave room for your group to add to or change the focus of why you exist; otherwise you may have to wind up the old group and start the process all over again.
- Who has the group been set up to help? Are there any specific audiences that you want to include within the remit of your group?
- *Powers* What does your group want to be able to do, what don't you want to do, can you apply for funding and how can you spend or distribute any money you are awarded? Again, don't tie yourself down too much here.
- *Meetings* How many general meetings open to all members will there be each year? Will there be a committee responsible for organising these and generally dealing with the day-to-day issues?
- *Membership* Who can be a member and how many people can be in the group? For example, is it anyone who pays a membership fee / everyone who uses the group or volunteers their time / anyone who lives in a certain area?
- Committee What officers do you need? How many people should be on the committee? How will the committee be chosen or elected? What are the responsibilities of the committee? How long should people serve on the committee for? How will the chairperson, secretary and treasurer be chosen or elected? How will the committee share information with all the other members of the group?
- Rules of Procedure These can seem boring but they do help meetings and committees to run smoothly; e.g. how often do you meet, are other members allowed to attend meetings and if so, are they allowed to vote?

- Finances How will any monies owned by the group be looked after and used?
 (e.g. establish and administer your bank account and ensure more than one signature on cheques.)
- Dissolution What happens to any property or money if the group closes or stops?

4. Steps to take to formally adopt the constitution

- 1. Set up a working group to develop a constitution.
- 2. Working group presents a draft constitution to the committee.
- 3. Committee puts amendments and comments forward.
- 4. Amendments are made to the constitution by the working group.
- 5. Re-present constitution to the committee for further amendments or for adoption.
- 6. Committee agree and adopt constitution.
- 7. Record made of adoption in minutes.
- 8. Committee sign and date constitution.

4. More information

<u>Charity Commission</u> website - features easy-to-use template constitutions and advice about how to register as a charity later if that is what you decide to do.

<u>j4bcommunity</u> website - offers a 5 step guide to funding success for community groups, which includes establishing a constitution.

<u>The Charities Information Bureau</u> - nationally recognised as a quality provider of training on all aspects of fundraising and commissioning involving voluntary, community and faith organisations and groups.

When you have constituted your group, you may want to think about establishing yourselves as a social enterprise.

Visit the <u>Open Up forum</u> to share tips and experiences of constituting your group.



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