
Workbook

AIM:

The aim of this self - study pack is to assist you in understanding the purpose of a constitution and to enable you to format one for your organisation.

WHAT WILL YOU LEARN IN THIS WORKBOOK:

- ❖ Understand the purposes of a constitution
- ❖ List the key clauses required in a constitution
- ❖ Identify the type of constitution relevant to your group
- ❖ Write a constitution for your group

HOW TO USE THIS WORKBOOK

Go through it at your own pace. Stop for a break whenever you want or at times suggested in the workbook - whichever suits you best. When you start up again, look back at the section you had just completed.

As you go through the workbook you are asked to carry out tasks.

Do not look ahead in the workbook for answers. These are given in the correct place in the workbook. You will come to them at the correct stage.

If you get stuck on something, try the following:

- ❖ Leave aside and try again later
- ❖ Turn back pages in the workbook looking for clues and ideas
- ❖ Phone TIS for assistance - use our free phone number 0800 731 3772 or reverse the charges

Hello and welcome to this Constitutions Workbook. It is hoped that you find the workbook informative, enjoyable and easy to use. Take your time and carry out the tasks at your own pace, but remember to follow the order of the book and don't miss sections or jump ahead to others too soon.

Have Fun and Good Luck!

INTRODUCTION

Developing a constitution is one of the most frequent enquiries received by TIS. There are no particular rules on how to run a tenants/residents group. You will require, however, to make some decisions on how to organise to ensure that your group works effectively and fairly and on how to represent your membership. When things are going well and according to plan there seems no need for formal structure or legal documents. However, there are times when things do not go so well or according to plan and when there are disagreements between members, a formal structure can provide a framework for resolving these difficulties. When it comes to asking for funds or grants, an organisation offering financial support will normally require to be satisfied that the group applying is properly constituted. In the long term if a group intends to acquire premises, such as a community flat, employ staff, raise money or seek charitable status then it will require a constitution appropriate to its activities and circumstances. This workbook will assist you develop a constitution suitable for your own group. You can use it either to create a new constitution or review your existing constitution

Activity 1

Think of the reasons why **your group** requires a constitution. List them below.

What is a constitution?

A constitution identifies the aims of the group and whom you represent. It also describes the framework within which you conduct the affairs of the group.



Activity 2

Please circle the correct answer. A constitution is:

- A An American City
- B A fancy new chocolate bar
- C A measure of your health
- D A set of rules to guide the affairs of your group
- E A new TV "Soap"

The Main types of Constitutions

The five main types of structure are:

1. An association, society or club ruled by a constitution
2. A friendly society governed by rules and registered with the Registrar of Friendly Societies
3. A trust governed by a declaration or deed of trust
4. A company limited by guarantee and incorporated under the Companies Act 1985
5. An industrial provident society incorporated under the Industrial and Provident Societies Act 1986

Unincorporated - Incorporated - Explained

The term **unincorporated** means that the group has no separate legal identity distinct from that of its members and that the members of its management committee or executive committee have ultimate legal responsibility.

The term **incorporated** means that such organisations have a separate legal identity, which limits the liability of the individual members and that of the management committee.

This is explained here, as it may be a term that comes up in discussions when deciding which type of constitution to adopt.

What type of Constitution to adopt.

You should always adapt your constitution to meet the needs of your own group. The most common type of constitution used by tenants and residents groups is unincorporated. The **advantage** of this is that such a constitution is inexpensive and quick to set up and that the constitution affords a measure of flexibility. The **disadvantage** is that the group cannot hold property in its own name and members of the committee can be made personally liable for the group's debts.

Activity 3

List the advantages and disadvantages of being an "unincorporated" group

1.
2.
3.
4.

Charitable Status

Most groups when drawing up a constitution want to know about charitable status. For example the National Lottery Charities Board "Awards for All - Community Fund" require groups to meet certain criteria without necessarily being a charity in law. What is required is that your group has charitable intent. For the purposes of this workbook what you need to consider is:

- Does your group have a name
- Are your aims charitable

- Do you have an open membership
- Does your constitution have a dissolution clause

(This will be dealt with in more detail later in the workbook)

To reflect, then

A constitution will help you clarify three things

- WHO YOU REPRESENT
- WHAT YOUR GROUP IS ABOUT
- HOW TO RUN YOUR GROUP

Now that we have gone over the purpose of a constitution **Take a break** before we go on to look at formatting a constitution



This workbook now goes on to offer a draft of a constitution for a tenants' or residents' association. You can use it to create a constitution if you are starting up a group or to review your existing constitution. The draft constitution is in the left-hand column. It offers a wording with phrases in **bold** where you should decide the details, which suit your own group. In the right hand column, some of the issues you should consider are described.

DRAFT CONSTITUTION	GUIDANCE NOTES
<p>Name of Association</p> <p>The name of the Association Shall be the _____</p> <p>– TENANTS/RESIDENTS ASSOCIATION</p>	<p>Decide on your association's name. When spoken, names are often abbreviated. You might be keen to have an abbreviated version that is quite snappy.</p>
<p>Aims of the Association</p> <p>To safeguard and promote the interest of tenants and/or residents in the area on matters concerning housing and the environment of the area, and the social and community life of the area.</p> <p>To uphold equal opportunities and work towards good relations amongst all members of the community, specifically prohibiting any conduct, which discriminates or harasses on the grounds of race, religion, disability, political belief, sex or sexual orientation.</p>	<p>It is worth giving this very careful consideration. Very broad aims like the ones quoted opposite would enable you to take up whatever issues arise in your community.</p> <p>However, more limited and specific aims can help you be very focused on the things you most want to do. This could increase your chances of success. Be clear whether you are there to serve the whole community, or represent the interests of tenants only.</p> <p>If you are going to try and achieve charitable status your aims have to be charitable examples are "improve the quality of life", "the relief of poverty" "the advancement of education"</p>

<p>Membership</p> <p>(a) Membership shall be open to all tenants and/or residents, irrespective of tenure, in the area (describe the area by its boundaries or by listing street names)</p> <p>(b) Membership shall be free of charge (you may prefer a subscription)</p> <p>(c) All voting members must be at least 16 years of age.</p> <p>(d) Membership shall cease immediately upon a person leaving the area defined in paragraph 3(a)</p>	<p>Whether membership is confined to tenants only or is open to all residents depends on the decision you have made about aims.</p> <p>You must make very clear who can and cannot be a member to avoid disputes later. It is also important to define the area you aim to serve.</p> <p>If you choose to run a subscription, make sure you are being realistic about being able to collect it. Include a subscription renewal date.</p>
<p>The Committee</p> <p>(a) A committee shall be elected to carry out the business of the Association</p> <p>(b) The committee shall be made up of chairperson, vice-chairperson, secretary, and treasurer and up to seven general members. The committee may appoint one of their number as minute secretary. A majority of the committee must be tenants. At least three of the four principal office bearer positions must be filled by tenants.</p> <p>(c) The committee shall be elected at the Annual General Meeting of the Association. The committee</p>	<p>A committee is formed to pursue the aims and carry out the day to day work of the association.</p> <p>If a committee is too small, there will not be enough people among whom to share out the work. Remember people drop out occasionally. The typical numbers attending will be a bit less than the number you allow for in the constitution.</p> <p>If the association's main work is to represent tenants' interests, you should ensure that tenants are prominent among those active on the committee, otherwise your credibility may be questioned when trying to represent tenants.</p>

<p>shall elect office Bearers from their own number at the first meeting after the AGM.</p> <p>(d) Should any committee member fail to attend three consecutive committee meetings without tendering apologies, the committee may at its discretion terminate that person's committee membership</p> <p>(e) Vacancies on the committee may be filled at a general meeting or at the discretion of the committee.</p> <p>(f) The committee and office bearers shall carry out the duties given them by a general meeting of the Association.</p> <p>(g) Councillors may attend committee meetings as and when invited by the committee.</p> <p>(h) The committee shall meet not less than 8 times per year, in addition to the AGM.</p> <p>(i) The quorum at any meetings of the committee shall be 5 including at least 2 Office Bearers.</p>	<p>In 4 (c) you could have office bearers elected at the AGM as an alternative.</p> <p>The committee is obliged to follow any instructions or guidance laid down by a general meeting. This is an essential part of being democratic and accountable to your membership.</p> <p>Avoid allowing any non-members to have a <i>right</i> to attend your meetings. Any non-members should attend by invitation only.</p> <p>A small quorum allows things to be kept going when you are experiencing a sticky patch in activity. A large quorum may be more democratic, but that counts for nothing if you cannot get enough people to attend a meeting so that it can legitimately take place.</p>
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<p>Annual General Meeting</p> <p>(a) There shall be an Annual General Meeting within fourteen months of the Association's inaugural meeting or last annual general meeting.</p> <p>(b) The Annual General Meeting shall</p> <p>Receive a report from the committee of its activities, including a statement of accounts fully audited;</p> <p>Accept the resignation of all committee members and elect a new committee;</p> <p>Vote on any recommendations/ motions and any amendments to the constitution; and</p> <p>Appoint two competent individuals, not having served on the committee during the preceding twelve months or elected to serve on the new committee, to audit its accounts.</p> <p>(c) The secretary will notify all Members of the date of the meeting not less than 21 days in advance of that meeting.</p> <p>(d) The quorum of annual general meetings shall be 15 members.</p>	<p>The annual general meeting ensures that the committee can be made accountable to the membership as a whole.</p> <p>It is usually better for the committee to pool its efforts to produce one report of the year's activities and achievements rather than one from each office bearer, which just leads to duplication.</p> <p>This requirement exists as an independent check on the proper handling of money.</p> <p>The quorum should relate to the size of your membership, but keep the figure low. For example, 15 is reasonable for a membership of say 200.</p>

<p>Other General Meetings</p> <p>(a) A request for a general meeting should be made in writing to the secretary, carrying the signatures and addresses of 15 members. A request for a general meeting should state the reasons for calling it. The committee may also call a general meeting.</p> <p>(b) The secretary will notify all members in writing of the date of the meeting not less than 21 days in advance of that meeting, and state its purpose in the notice.</p>	<p>General meetings in addition to the AGM give an opportunity to the membership to take part in some important business as it arises. This section is deliberately framed so that a general meeting can be called whether or not the committee wants it to happen.</p>
<p><u>Changes to the Constitution</u></p> <p>(a) The constitution may be altered at the Annual General Meeting or at special meeting called for that purpose.</p> <p>(b) Proposed changes must be submitted to the secretary in writing not less than 21 days before the AGM.</p> <p>(c) Changes must be agreed by at least a two-thirds majority of voting members present at the meeting.</p>	<p>Changes to the constitution should only take place after careful thought.</p> <p>It is important that there is good support among the membership for a change.</p> <p>Advance notice of the proposed changes and two thirds majority voting helps achieve these objectives.</p>

<p>Finance</p> <p>(a) All money raised by or on behalf of the Association shall be applied to further the objects of the Association.</p> <p>(b) The Treasurer shall keep proper accounts of the finances of the Association and make a report available at every committee meeting.</p> <p>(c) The funds of the Association shall be managed through a bank account. Cheques written on behalf of the Association must bear the signatures of two office bearers.</p>	<p>Proper control of the association's finances cannot be overstressed. The committee as a whole and office bearers other than the treasurer should take a keen interest in the finances. It is in many ways unfair to leave concerns about the finances just to the treasurer. She or he should be supported.</p> <p>Remember that any body giving grant aid will want to be satisfied money is being properly used.</p> <p>Banks will in any case normally require this practice in the running of an association's accounts.</p>
<p>Dissolution of the Association</p> <p>(a) The Association may only be dissolved by a special meeting called for that purpose. Such a meeting shall come about following a proposal in writing signed by a simple majority of those remaining in membership being submitted to the Secretary.</p> <p>(b) All members shall be informed of such a meeting at least 21 days before the date of the meeting.</p> <p>(c) Dissolution of the Association shall only take effect if agreed by two thirds of the members present and voting at that</p>	

<p>meeting.</p> <p>(d) Any assets remaining after meeting liabilities must be distributed among local charities nominated by that meeting.</p> <p>(e) Any money received via funding bodies should be returned to the funders in relation to the funding criteria.</p> <p>(f) On dissolution, any documents belonging to the Association shall be disposed of in a manner agreed by that meeting.</p>	<p>Outstanding grants from the landlord and/or other sources have to be disposed of in consultation with whoever provided the grant.</p>
<p>Adoption</p> <p>This constitution was adopted at the inaugural/annual general meeting of (date).</p> <p>Signed _____ (Chair)</p> <p>_____ (Secretary)</p> <p>(Date)</p>	<p>Once agreed, the constitution should be signed and dated. This helps in the future to verify its authenticity. It also helps distinguish different versions as changes may be made from time to time.</p> <p>Copies should be given to all committee members and any other members requesting it. If you receive grant aid, the funding body will normally require an up to date copy of the constitution.</p>

Drawing up a constitution will take time and shouldn't be rushed. You will probably need to hold more than one meeting to discuss it amongst your members and get agreement on what should be included and what should not. It is important that

there is unity about your constitution otherwise your organisation may get off to a bad start if everyone does not agree about the way business should be conducted.

(Please note the model constitution shown in the last few pages is **not** suitable for a Tenants / Residents Federations. Contact TIS for advice about suitable Federation constitutions.)

What Next?

- Phone or write to TIS to ask for the Checkback Pack for this course.
- If you devise a constitution for your group, send that back also and we will look over it for you.

In it Checkback Pack you will receive:

The Answers to the activities

A list of other courses in TIS' "Home Study for Tenants" series

A questionnaire to enable you to give us feedback on how well this course worked for you

A course completion certificate

For Now.....

WELL DONE TO YOU AND YOUR GROUP FOR COMPLETING THIS COURSE. We hope you enjoyed learning this way and will ask for more Home Study courses to be sent to you.

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