

Notes

These explanatory notes are for advice and reference only and do not form part of the text of the constitution.

Inserting the date of the constitution is good practice, and helps to ensure everyone has the same document.

The date to enter here is the date the constitution, or any amendment to it, has been registered by the Commission, as this is when it comes into effect. Leave this undated until the constitution has been registered.

Clause 1 – Name – You must include the name of the CIO in the constitution. In general, the Commission can accept any charity name unless it would be misleading, offensive or too similar to the name of an existing charity (unless the CIO is replacing that charity). The Commission has powers to require a charity to change its name if this happens. Further information on this is provided in our publication.

Registering as a charity (CC21) and in our Operational Guidance (OG330 – *Names of charities*), which are available on our website. There are also legal restrictions on using the same name as an existing company (unless it is a charitable company that is converting to a CIO) or as a former company or CIO that underwent insolvent liquidation – if in doubt seek professional advice.

Clause 2 – Principal office – The constitution must state whether the CIO’s principal office is in England or Wales.

Clause 3 – Objects – The CIO must have exclusively charitable objects which you must set out in the constitution. Guidance on appropriate wording is available on our website. The key elements to include are:

- the purpose or purposes for which the CIO is being established;
- the people who can benefit; and, if appropriate
- any geographic limits defining the area of benefit. If you include an area of benefit, it is common to define it by reference to a local government area: this has the advantage of clarity and simplicity, but can create problems if the area is subsequently altered or abolished. If this happens in future contact

Constitution of the Pilton Green Man Charitable Incorporated Organisation

Date of constitution (last amended):

.....

1 Name

The name of the Charitable Incorporated Organisation (“the CIO”) is

PILTON GREEN MAN CIO

2 National location of principal office

The principal office of the CIO is in England

3 Objects

‘To promote good citizenship for the public benefit by facilitating the development of a volunteer force to assist the community, in particular but not exclusively those members of the community who are in need, in such ways as the trustees may from time to time decide. To advance such charitable purposes (according to the law of England and Wales) as the trustees see fit, in particular, but not limited to, the promotion of the arts and advancement of education in the history of Pilton, primarily but not exclusively, for the benefit of the people of the Pilton ward of Barnstaple, Devon and will be achieved through the making of grants or providing other support.’

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Powers

The CIO has power to do anything which is calculated to further its objects or is conducive or incidental to doing so. In particular, the CIO has power to:

- (1) borrow money and to charge the whole or any part of its property as security for the repayment of the money borrowed. The CIO must comply as appropriate with sections 124 and 125 of the Charities Act 2011, if it wishes to mortgage land;
- (2) buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
- (3) sell, lease or otherwise dispose of all or any part of the property belonging to the CIO. In exercising this power, the CIO must comply as appropriate with sections 117 and 119-123 of the Charities Act 2011;
- (4) employ and remunerate such staff as are necessary for

the Commission for advice on amending the objects.

NB. If you cannot fit your objects in the space provided, please include them on Notes

a separate piece of paper and submit this with the constitution

If the CIO needs to be recognised as a charity in Scotland and /or Northern Ireland you will need to include the relevant parts of the wording in square brackets to meet the requirements of charity law in those countries

Clause 4 – Powers – The Charities Act 2011 (‘2011 Act’) gives a CIO power to do ‘anything which is calculated to further its purposes or is conducive or incidental to doing so’. Strictly speaking, this is the only power a CIO needs. It can, however, be helpful to state certain powers explicitly in the constitution. In particular, a stated power to borrow [(1)] may reassure potential lenders. For this reason we recommend that you include the example powers set out in the model (these include powers to buy, sell and lease property, employ staff and delegate investment management to a professional fund-manager). You may add other express powers here if you wish to.

You may include a constitutional provision restricting the general power in the 2011 Act. You must only include such a restriction if it is in the CIO’s interests. You must not restrict the CIO’s powers in a way that prevents it from disposing of its property. Restrictions on the powers are not provided for in this model and we recommend that you seek appropriate advice if you are considering this.

Clause 5 – Application of income and property – We recommend that you include this clause.

(1) reflects the provisions in the 2011 Act about a CIO charity trustee’s entitlement to reasonable expenses and that they may benefit from trustee

carrying out the work of the CIO. The CIO may employ or remunerate a charity Trustee only to the extent that it is permitted to do so by clause 6 (Benefits and payments to charity trustees and connected persons) and provided it complies with the conditions of that clause;

- (5) deposit or invest funds, employ a professional fund-manager, and arrange for the investments or other property of the CIO to be held in the name of a nominee, in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000.

5 Application of income and property

- (1) The income and property of the CIO must be applied solely towards the promotion of the objects.
 - (a) A charity trustee is entitled to be reimbursed from the property of the CIO or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the CIO.
 - (b) A charity trustee may benefit from trustee indemnity insurance cover pushed at the CIO’s expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.
- (2) None of the income or property of the CIO may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any member of the CIO.
- (3) Nothing in this clause shall prevent a charity trustee or connected person receiving any benefit or payment which is authorised by Clause 6.

6. Benefits and payments to charity trustees and connected-persons

- (1) General – provisions

No charity trustee or connected-person may:

- (a) buy or receive any goods or services from the CIO on terms preferential to those applicable to members of the public;
- (b) sell goods, services, or any interest in land to the CIO;

indemnity insurance. We recommend that you include it in the constitution, to inform people involved with the charity.

(2) reflects charity law requirements that the income and property of a CIO must be applied solely to further its objects and not to benefit the members or charity trustees (except as permitted by Notes

the governing document) (see clause 6) or other express power). The trustees have a duty to ensure that the funds are correctly applied in accordance with this principal.

Clause 6 – Benefits and payments to charity trustees and connected-persons – Charity trustees may only benefit from their charity if they have express legal authorisation to do so (such as a clause in the constitution). This restriction extends to people closely connected to a trustee ('connected-persons' – this term is defined in the interpretation clause). You should include this clause so that charity trustees are clear about the restrictions that apply to them; and unless you include it, the statutory provisions will apply. Even where trustees are allowed to benefit from the CIO, this must only happen where the benefit is in the interests of the CIO. Our guidance *Trustees expenses and payments* (CC11) provides more information about trustee benefits.

The model clause permits a majority of the charity trustees or connected persons to receive payments and other benefits in certain instances (such as for goods and services they supply to the CIO). Subject to the stated controls, the option also allows other types of trustee benefit, subject to the Commission's prior consent.

You may restrict the benefits that the charity trustees will be allowed to receive by altering these clauses, but if you later need to undo any of the restrictions it will require the Commission's consent to do so. Trustees do not have to use these powers just because they have them – we suggest you may find it simpler to keep the model wording.

None of these options allows trustees

- (c) be employed by, or receive any remuneration from, the CIO
- (d) receive any other financial benefit from the CIO;

unless the payment or benefit is permitted by sub-clause (2) of this clause or authorised by the court or the prior written consent of the Charity Commission ("the Commission") has been obtained. In this clause, a "financial benefit" means a benefit, direct or indirect, which is either money or has a monetary value.

- (2) Scope and powers permitting trustees' or connected persons' benefit
 - (a) A charity trustee or connected-person may receive a benefit from the CIO as a beneficiary of the CIO provided that it is available generally to the beneficiaries of the CIO.
 - (b) A charity trustee or connected-person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the CIO where that is permitted-in accordance with, and subject to the conditions in, sections 185 and 188 of the Charities Act 2011.
 - (c) Subject to sub-clause (3) of this clause a charity trustee or connected person may provide the CIO with goods that are not supplied in connection with services provided to the CIO by the charity trustee or connected person.
 - (d) A charity trustee or connected-person may receive interest on money lent to the CIO at a reasonable and property rate which must be not more than the Bank of England bank rate (also known as the base rate).
 - (e) A charity trustee or connected-person may receive rent for premises let by the trustee or connected person to the CIO. The amount of the rent and the other terms of the lease must be reasonable and proper. The charity trustee concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
 - (f) A charity trustee or connected person may take part in the normal trading and fundraising activities of the CIO on the same terms as

to receive payment for acting as a trustee.

(2)(a) If all of the trustees will benefit from the activities of the CIO (for example, by using facilities available to all inhabitants of the area, such as a community centre), you may wish to substitute the following wording “A charity trustee or connected person may receive a benefit from the CIO as a beneficiary provided that it is available
Notes

generally to the beneficiaries of the CIO

(2)(d) – The CIO should document the amount of, and the terms of, the trustee’s or connected person’s loan.

members of the public.

(3) Payment for supply of goods only controls

The CIO and its charity trustees may only rely upon the authority provided by sub-clause (2)(c) of this clause if each of the following conditions is satisfied:

- (a) The amount or maximum amount of the payment-for the goods is set out in a written agreement between the CIO and the charity trustee connected person supplying the goods (“the supplier”)
- (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.
- (c) The other charity trustees are satisfied that it is in the best interests of the CIO to contract with the supplier rather than with someone who is not a charity trustee or connected person. In reaching that decision the charity trustees must balance the advantage of contracting with a charity trustee or connected person against the disadvantages of doing so
- (d) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the CIO.
- (e) The supplier does not vote on any such matter and is not to be counted when calculating whether quorum of charity trustees is present at the meeting.
- (f) The reason for their decision is recorded by the charity trustee in the minute book.
- (g) A majority of the charity trustees then in office are not in receipt of the remuneration or payments authorised by clause 6.

(4) In sub-clauses (2) and (3) of this clause:

- (a) “the CIO” includes any company in which

Clause 7 Conflicts of interest and conflicts of loyalty. The General Regulations provide that a charity trustee of a CIO must not take part in any decision from which they would directly or indirectly benefit personally, unless they cannot reasonably be regarded as having a conflict of interest. This clause reminds the trustees of this requirement and also reflects wider good practice on managing conflicts of loyalty. We recommend that you include it.

Notes

Clause 8 – Liability of members - The constitution must state whether members of the CIO *either*

(a) have no liability to contribute to the assets of the CIO if it is wound up [option 1] *or*:

(b) will be liable to contribute up to a maximum amount each if the CIO cannot meet its financial obligations when it is wound up [option 2].

Choose one option and delete the other. There is no preference or requirement in the legal framework for members to be liable to contribute anything.

the CIO:

- (i) holds more than 50% of the shares; or
 - (ii) controls more than 50% of the voting rights attached to the shares; or
 - (iii) has the right to appoint one or more directors to the board of the company;
- (b) “connected person” includes any person within definition set out in clause 30 (Interpretation);

7. Conflicts of interest and conflicts of loyalty

A charity trustee must:

- (1) declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the CIO or in any transaction or arrangement entered into by the CIO which has not previously been declared; and
- (2) absent himself or herself from any discussions of the charity trustees in which it is possible that a conflict of interest will arise between his or her duty to act solely in the interests of the CIO and any personal interest (including but not limited to any financial interest).

Any charity trustee absenting himself or herself from any discussion in accordance with this clause must not vote or be countered as part of the quorum in any decision of the charity trustees on the matter.

8. Liability of members to contribute to the assets of the CIO if it is wound up

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

9. Charity Trustees

- (1) Functions and duties of charity trustees

The charity trustees shall manage the affairs of the CIO

If you choose option 2 you must insert the maximum amount (normally a nominal sum such as £1 or £10) for which members will be individually liable.

Clause 9 – Charity Trustees

(1) This clause explains the charity trustees' legal function, legal duty to act in good faith, and statutory duty of care. We recommend that these should be set out in the constitution. The trustees cannot adopt a lower duty of care.

(2) You should include provisions setting out who is eligible to be a charity trustee of the CIO.

Sub-clause (a) requires all trustees to be individuals. It is legally permissible for a corporate body to be a charity trustee. But we would advise against a trustee body including both individuals and one or more corporate bodies.

Clause 9 – 13 are drafted on the basis that the CIO will be governed by a trustee body made up of a number of individuals. If there is a good reason why the CIO will be administered by a single trustee (eg a corporation) or have any other trusteeship arrangement, you will need to amend these clauses, and should seek your own professional advice.

Notes

The suggested provisions in (b) reflect the law and (c) is based on good practice. Note that there are offences under the General Regulations concerning legally disqualified individuals acting as trustees.

If there are to be additional conditions for eligibility to be a charity trustee (beyond the legal restrictions). These must be stated in the constitution. For example, some charities add requirements to ensure that trustees have particular knowledge or experience (eg of the locality in which the CIO operates or of issues relevant to the

and may for that purpose exercise all the powers of the CIO. It is the duty of each charity trustee:

- (a) to exercise his or her powers and to perform his or her function in his or her capacity as a trustee of the CIO in the way he or she decides in good faith would be most likely to further the purpose of the CIO; and

to exercise, in the performance of those functions, such care and skill as is reasonable in the circumstances having regard in particular to:

- (i) any special knowledge or experience that he or she has or holds himself or herself out as having; and ,
- (ii) if he or she acts as a charity trustee of the CIO in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.

(2) Eligibility of trusteeship

- (a) Every charity trustee must be a natural person.

- (b) No individual may be appointed as a charity trustee of CIO:

- if he or she is under the age of 16 years; or
- if he or she would automatically cease to hold office under the provisions of clause 12(1)(e).

- (c) No one is entitled to act as a charity trustee whether on appointment or on any re-appointment until he or she has expressly acknowledged, in whatever way the charity trustees decide, his or her acceptance of the office of charity trustee.

- (d) At least one of the trustees of the CIO must be 18 years of age or over. If there is no

people that the CIO serves).

(2)(d) Contains an optional restriction on the proportion of charity trustees who are under 18. The Commission encourages charities to involve young people in their governance in whatever ways are appropriate in the circumstances, but advises against having a board made up entirely of people under 18. CIO trustees cannot be under 16.

(3) The General Regulations require that the constitution must state the minimum number of charity trustees, if more than one.

We recommend setting and including minimum and maximum numbers of charity trustees.

A CIO can have a fixed number of trustees or a range between a maximum and minimum (which will give the CIO more flexibility). Option 1a provides for a specified maximum number. Option 1b provides for no maximum limited. Option 2 provides for other trustee appointment arrangements in accordance with clause 13 (see below).

Choose Clause 9(3) Option 1 (and option 1a or b) and Clause 10 Option 1 or choose Clause 9(3) Option 2 and clause 10 Option 2 (selecting the relevant parts of each section).

Delete the options that you have not chosen.

For good practice, a CIO should have at least three charity trustees. If the number of trustees falls below the minimum specified in the constitution, the provisions in clause 12(3) will enable the remaining charity trustees to appoint new trustees and prevent the CIO from becoming inoperable.

A CIO should have enough charity trustees to effectively carry out their duties, but not too many so that it becomes impractical to hold effective trustee meetings where everyone can participate in decision making. We suggest a maximum of 12 trustees, but you may choose a higher or lower number depending on the CIO's needs.

Notes

(4) The General Regulations require that the constitution must state the names of the first charity trustees.

We recommend that you 'stagger' the terms of office of the first trustees to ensure that they do not all stand down at the same time. For example, if there are three trustees, one might be appointed for four years, one for three years and one for two years.

trustee aged at least 18 years, the remaining trustees may only act to call a meeting of the charity trustees, or appoint a new charity trustee.

(3) Number of charity trustees

(a) There must be at least 5 charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees, or appoint a new charity trustee.

(b) The maximum number charity trustees is 12. The charity trustee may not appoint any charity trustee if as a result the number of charity trustees would exceed the maximum.

(4) First charity trustees

The first charity trustees are as follows, and we appoint for the following terms-

Richard William Stevens.....[for four years]

Siobhan Lesley Roissetter.....[for four years]

Marc Brayley.....[for four years]

Elizabeth Mary Davies.....[for three years]

Susan Elizabeth O'Grady.....[for three years]

Warwick Russell Neighbour.....[for three years]

Louise Alice Frances Thomas.....[for two years]

Martin Victor Haddrill.....[for two years]

10 Appointment of charity trustees

(1) Apart from the first charity trustees, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

(2) In selecting individuals for appointment as charity trustees, the charity trustees must have regard to

It is good practice for trustees to be appointed for a fixed term, but you may instead provide for appointed trustees to be appointed indefinitely (ie for life or until they retire), in which case, delete the words in square brackets in clauses 9(4) and 10(1)

Clause 11 – Information for new charity trustees – This clause represents good practice; we recommend that you include it. It is vital for new trustees to have easy access to the information and training that they need in order to become effective members of the trustee body.

Clause 12 Retirement and removal of charity trustees – The General Regulations require that the constitution must contain provisions setting out how charity trustees (and members) may retire or otherwise cease to hold office. The provisions in the model follow recommended good practice. There is an optional provision (sub clause (3)) to ensure that trustees do not serve for more than three consecutive terms, which may help to encourage regular turnover and change on the trustee board. (It is good practice to aim for a balance between continuity and change.)

Notes

Clause 13 – Taking of decision by charity trustees – The power to take decisions by resolution in writing or electronic form outside meetings is optional, but if the trustees intend to use it, it must be included in the constitution. Such a decision must be unanimous (ie all of the trustees must agree).

the skills, knowledge and experience needed for the effective administration of the CIO.

11 Information for new charity trustees

The charity trustees will make available to each new charity trustee, on or before his or her appointment:

- (a) a copy of the current version of the constitution; and
- (b) a copy of the CIO's latest Trustees' Annual Report and statement of accounts

12 Retirement and removal of charity trustees

(1) A charity trustee ceases to hold office if her or she;

(a) retires by notifying the CIO in writing (but only if enough charity trustees will remain in office when the notice of resignation takes effect to form a quorum for meetings);

(b) is absent without the permission of the charity trustees from all their meetings held within a period of six months and the trustees resolve that his or her office be vacated;

(c) dies;

(d) in the written opinion, given to the company, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a director and may remain so for more than three months;

(e) is disqualified from acting as a charity trustee by virtue of sections 178-180 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision).

(2) Any person retiring as a charity trustee is eligible for reappointment.

(3) A charity trustee who has served for three consecutive terms may not be reappointed for a

fourth consecutive term but may be reappointed after an interval of at least one year.

13 Taking of decisions by charity trustees

Any decision may be taken either.

- at a meeting of the trustees; or
- by resolution in writing or electronic form agreed by all of the charity trustees, which may comprise either a single document or several documents containing the text of the resolution in like form to each of which one or more charity trustees has signified their agreement

Clause 14 – Delegation by charity trustees – This power is optional. We recommend you include it for the smooth running of the CIO. The General Regulations give charity trustees of a CIO automatic power to delegate tasks to sub-committees, staff or agents; but without this additional constitutional power, the trustees will be unable to delegate any power to make decisions.

Sub-clause (2)(a)-(c) reflect minimum good practice and are safeguards that should not be removed or diminished.

14 Delegation by charity trustees

- (1) The charity trustees may delegate any of their powers or functions to a committee or committees, and if they do, they shall determine the terms and conditions on which the delegation is made. The charity trustees may at any time alter those terms and conditions, or revoke the delegation.

This power is in addition to the power of delegation in the General Regulations and other power of delegation available to the charity trustees, but is subject to the following requirements:

- (a) a committee may consist of two or more persons, but at least one member of each committee must be a charity trustee;
- (b) the acts and proceedings of any committee must be brought to the attention of the charity trustees as a whole as soon as is reasonably practicable; and
- (c) the charity trustees shall from time to time review the arrangements which they have made for the delegation of their powers.

Notes

Clause 15 – Meetings of charity trustees – The General Regulations require that the Constitution must include provisions for the calling and running of meetings including the minimum number of trustees who shall form a quorum, appointment of a chair and, if trustees will be able to demand a poll (a counted vote, normally with voting papers), the procedure for conducting such a poll. The provisions in this model are good practice recommendations.

We have not included provisions for trustees to demand a poll in this model constitution as feedback from our consultations suggested that most charities did not feel it was appropriate.

15 Meetings of charity trustees

(3)(a) We recommend that the quorum for trustee meetings should not be less than one third for the number of trustees.

(3)(c) It is common, but not obligatory, for the Chair to have a casting vote. You may include or delete this power.

(4) – This clause is optional, but will require if one or more of the CIO's trustees may from time to time participate in meetings by telephone or other electronic means where participants may not all be able to see and hear each other.

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Clause 16 – Membership of the CIO – A CIO must have one or more members. In this model constitution the charity trustees

(1) Calling meetings

- (a) Any charity trustee may call a meeting of the charity trustees.
- (b) Subject to that, the charity trustees shall decide how their meetings are to be called, and what notice is required.

(2) Chairing meetings

The charity trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. If no-one has been so appointed, or if the person appointed is unwilling to preside or is not present within 10 minutes after the time of the meeting, the charity trustees present may appoint one of their number to chair that meeting.

(3) Procedure at meetings

- (a) No decision shall be taken at a meeting unless a quorum is present at the time when the decision is taken. The quorum is three or the number nearest to one third of the total number of charity trustees, whichever is the greater, or such larger number as the charity trustees may decide from time to time. A charity trustee shall not be counted in the quorum present when any decision is made about a matter upon which he or she is not entitled to vote.
- (b) Questions arising at a meeting shall be decided by a majority of those eligible to vote.
- (c) In the case of an equality of votes, the person who chairs the meeting shall have a second or casting vote.

(4) Participation in meetings by electronic means

- (a) A meeting may be held by suitable electronic means agreed by the charity trustees in which each participant may communicate with all the other participants.
- (b) Any charity trustee participating at a

are the only members and become members automatically. If the CIO is going to have a wider voting membership you will need use the Association Model Constitution.

The constitution must set out who is eligible for membership and how someone becomes a member. The constitution must contain provision for retirement and termination of membership. This model clause fulfils these requirements.

The General Regulations have been drafted on the basis that all members of a 'foundation' CIO will be charity members of the CIO when they cease to be trustees.

Clause 17 – Informal or associate (non-voting) membership – We advise CIOs to include this power if they contemplate having an informal (associate) membership. Membership of this kind does not count as membership for legal purposes, for example in terms of voting rights, legal obligations to act in the interests of the charity or any liability to contribute to the assets of the CIO on dissolution.

Clause 18 – Decisions which must be made by the members of the CIO we recommend that you include these powers and provisions in full.

Notes

(1) This sub-clause acts as a reminder that certain decisions must be made by the members, rather than by the trustees (although in practice they are the same persons).

(2) This sub-clause allows decisions of the members to be made at a general meeting or by written resolution.

(3) The decision specified in sub-clause (1) are subject to special requirements; this sub-clause acts as a reminder of those

meeting by suitable electronic means agreed by the charity trustees in which a participant or participants may communicate with all the other participants shall qualify as being present at the meeting.

- (c) Meetings held by electronic means must comply with rules for meetings, including chairing and the taking of minutes.

16 Membership of the CIO

- (1) The members of the CIO shall be its charity trustees for the time being. The only persons eligible to be members of the CIO are its charity trustees. Membership of the CIO cannot be transferred to anyone else.
- (2) Any member and charity trustee who ceases to be a charity trustee automatically ceases to be a member of the CIO.

17 Informal or associate (non-voting) membership

- (1) The charity trustees may create associate or other classes of non-voting membership, and may determine the rights and obligations of any such members (including payment of membership fees), and the conditions for admission to, and termination of membership of any such class of members.

Other references in this constitution to “members” and “membership” do not apply to non-voting members, and non-voting members do not qualify as members for any purpose under the Charities Acts, General Regulations or Dissolution Regulations.

18 Decisions which must be made by the members of the CIO

- (1) Any decisions to:
 - (a) amend the constitution of the CIO,
 - (b) amalgamate the CIO with, or transfer its undertaking to, one or more other CIOs, in accordance with the Charities Act 2011; or

requirements.

(4) This sub-clause sets out the procedure for written resolutions.

Notes

Clause 19 – General meetings of members
– The General Regulations state that the constitution must make provision about the holding and calling of general meetings, and procedure at such meetings including the minimum number of members can demand a poll, and the procedure for conducting such a poll. The provision in this clause are good practice recommendations.

(1) In a CIO with the ‘foundation’ model constitutions, all of the members are trustees, so the trustees may decide which of their meetings should be treated as a general meeting of the members (subject to the notice requirements in (2)).

(c) wind up or dissolve the CIO (including transferring its business to any other charity)

must be made by a resolution of the members of the CIO (rather than a resolution of the charity trustees).

(2) Decisions of the members may be made either.

(a) by resolution at a general meeting; or

(b) by resolution in writing, in accordance with sub-clause (4) of this clause.

(3) Any decision specified in sub-clause (1) of this clause must be made in accordance with the provisions of clause 28 (amendment of constitution, clause 29 (Voluntary winding up or dissolution), or the provisions of the Charities Act 2011, the General Regulations or the Dissolution Regulations as applicable. Those provisions require the resolution to be agreed by a 75% majority of those members voting at a general meeting, or agreed by all members in writing.

(4) Except where a resolution in writing must be agreed by all the members, such a resolution may be agreed by a simple majority of all members who are entitled to vote on it. Such a resolution shall be effective provided that:

(a) a copy of the proposed resolution has been sent to all the members eligible to vote; and

(b) the required majority of members has signified its agreement to the resolution in a document or documents which are received at the principal office within the period of 28 days beginning with the circulation date. The document signifying a member’s agreement must be authenticated by their signature, by a statement of their identity accompanying the document, or in such other manner as the CIO has specified.

The resolution in writing may comprise several copies to which one or more members has signified their agreement. Eligibility to vote on the resolution is limited to members who are members of the CIO on the date when the proposal is first circulated.

(2)(a) The minimum period of notice for general meetings should be reasonable in the CIO's particular circumstances, to enable as many members (trustees) as possible to participate in such decisions. For the decisions mentioned in clause 18(1) the period of notice is specified as 14 days in the General Regulations.

(3) This sub-clause means that the usual procedural provisions for trustees' meetings will also apply when they meet as members.

Proxy voting – The General Regulations stipulate that member can only vote by proxy if there is a specified provision in the constitution, which must set out:

- a) how a member appoints a proxy.
- b) the rights of the proxy; and
- c) how the appointment is terminated.

For recommended wording (which does not form part of this model), please see the Appendix to this constitution.

Notes

Postal voting – the General Regulations stipulate that members can only use postal votes if there is a specific provision in the constitution, which must make provision about the circumstances in which, and they way in which, such votes may be given.

For recommended wording (which does not form part of this model), please see the Appendix to the constitution.

Clause 20 – Saving provisions – We recommend that you include this clause, to reduce the risk of trustees' decisions being declared invalid for purely technical reasons. This is, however, also covered in the General Regulations.

19 General meetings of members

(1) Calling of general meetings of members

The charity trustees may designate any of their meetings as a general meeting of the members of the CIO. The purpose of such a meeting is to discharge any business which must by law be discharged by a resolution of the members of the CIO as specified in clause 18 (Decisions which must be made by the members of the CIO).

(2) Notice of general meetings of members

(a) The minimum period of notice required to hold a general meeting of the member of the CIO is 14 days.

(b) Except where a specified period of notice is strictly required by another clause in this constitution, by the Charities Act 2011 or by the General Regulations, a general meeting may be called by shorter notice if it is so agreed by a majority of the members of the CIO.

(c) Proof that an envelope containing a notice was properly addressed, prepaid and posted; or that an electronic form of notice was properly addressed and sent, shall be conclusive evidence that the notice was given. Notice shall be deemed to be given 48 hours after it was posted or sent.

(3) Procedure at general meetings of members

The provisions in clause 15 (2)-(4) governing the chairing of meetings, procedure at meetings and participation in meetings by electronic means apply to any general meeting of the members, with all references to trustees to be taken as references to members.

Proxy and Postal Voting will not be used by the CIO.

20 Saving Provisions

(1) Subject to sub-clause (2) of this clause, all decisions of the charity trustees, or of a committee of charity trustees, shall be valid notwithstanding the participation in any vote of a charity trustee:

Clause 21 – Execution of documents – we recommend that you include this clause, for clarity about how documents may be validly executed on behalf of the CIO. It includes provision for use of a seal, which the General Regulations stipulate must be included if the CIO is to have a seal (but there is no requirement to have one). The General Regulations require the full name of the CIO to be clearly written on the seal, and failure to comply with this is an offence.

Notes

Clause 22 – Use of electronic communications – The General Regulations include provisions governing the use of electronic communication, and we recommend that CIO trustees familiarise themselves with the requirements. Failure to comply with the requirement to provide a hard copy would constitute an offence.

The General Regulations state that if the CIO intends to automatically use electronic communication or a website to send formal communications to members, this must be stated in the constitution, which must also set out the circumstances in which this will happen. For suggested wording, please see the appendix to this constitution.

- who was disqualified from holding office;
- who had previously retired or who had been obliged by the constitution to vacate office;
- who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise;

if, without the vote of that charity trustee and that charity trustee being counted in the quorum, the decision has been made by a majority of the charity trustees at a quorate meeting.

- (2) Sub-clause (1) of this clause does not permit a charity trustee to keep any benefit that may be conferred upon him or her by a resolution of the charity trustees or of a committee of charity trustees if, but for sub-clause (1), the resolution would have been void, or if the charity trustee has not complied with clause 7 (Conflicts of interest).

21 Execution of documents

- (1) The CIO shall execute documents either by signature or by affixing its seal (if it has one)
- (2) A document is validly executed by signature if it is signed by at least two of the charity trustees.
- (3) Affixed and unless otherwise so determined it shall be signed by two charity trustees.

22. Use of electronic communications

- (1) General

The CIO will comply with the requirements of the Communications Provision in the General Regulations and in particular:

- (a) the requirement to provide within 21 days to any member on request a hard copy of any document or information sent to the member otherwise than in hard copy form;
- (b) any requirements to provide information to the Commission in a particular form or manner.

(2) To the CIO

Any member or charity trustee of the CIO may communicate electronically with the CIO to an address specified by the CIO for the purpose, so long as the communication is authenticated in a manner which is satisfactory to the CIO.

(3) By the CIO

(a) Any member or charity trustee of the CIO, by providing the CIO with his or her email address or similar, is taken to have agreed to receive communications from the CIO in electronic form at that address, unless the member has indicated to the CIO his or unwillingness to receive such communication in that form.

b) The charity trustees may, subject to compliance with any legal requirements, by means of publication on its website;

- a. provide the members with the notice referred to in clause 19(2) (Notice of General Meetings);
- b. give charity trustees notice of their meetings in accordance with clause 15(1) (calling meetings); and
- c. submit any proposal to the members of the charity trustees for decision by written resolution or postal vote in accordance with the CIO's powers under clause 18 (Members' decisions). 18(4) (Decisions taken by resolution in writing).

The charity trustees must –

- (c)
- a. take reasonable steps to ensure that members and charity trustees are promptly notified of the publication of any such notice or proposal; and
 - b. the seal must only be used by the authority of the charity trustees or of a committee of charity trustees duly authorised by the charity trustees. The charity trustees may determine who shall sign any document to which the seal

Clause 23 – Keeping of registers – This clause reflects the requirements in the General Regulations that the CIO keeps registers of members and charity trustees and make this information available for inspection by interested persons. This does not have to be stated in the constitution but is included to serve as a reminder.

Clause 24 – Minutes – The clause reflects the requirements of the General Regulations regarding record keeping. We recommend that this clause is included, their responsibilities.

Notes

Clause 25 – Accounting records (etc) – This clause reflects the trustees' duties under the 2011 Act. We recommend that this clause is included, to remind the trustees of their responsibilities

If the CIO has a seal:

- a. it must comply with the provisions of the General Regulations; and decisions made by the charity trustees otherwise than in meetings

23 Keeping of Registers

The CIO must comply with its obligations under the General Regulations in relation to the keeping of, and provision of access to, a (combined) register of its members and charity trustees

- a) Send any such notice or proposal in hard copy form to any member or charity trustee who has not consented to receive communication in electronic form.

24 Minutes

The charity trustees must keep minutes of all:

- (1) appointments of officers made by the charity trustees;
- (2) proceedings at general meetings of CIO;
- (3) meetings of the charity trustees and committees of charity trustees including:
 - the names of the trustees present at the meeting
 - the decisions made at the meetings; and
 - where appropriate the reasons for the decisions (4)

25. Accounting records, accounts, annual reports and returns, register maintenance.

- (1) The charity trustees must comply with the requirements of the Charities Act 2011 with regard to the keeping of accounting records, and to the preparation of annual reports must be sent to the Charity Commission, regardless of the income of the CIO, within 10 months of the financial year end.

Clause 26 – Rules – We recommend that this power should be included for clarity, but charities automatically have this power and it does not have to be stated in the constitution. It is important that members are made aware of, and can easily obtain, copies of any rules.

Clause 27 – Disputes – It is good practice to include provisions for dealing with any disputes that arise between members of the CIO. Litigation can be expensive, and litigation about the internal affairs of a charity would almost certainly constitute “charity proceedings”, which can be taken only with the Commission’s authority. We would usually require the parties to a dispute to have tried mediation first.

Clause 28 – Amendments of constitution – This reflects the CIO’s statutory power of amendment in sections 224-227 of the Charities Act 2011. A CIO’s constitution should include these provisions for ease of reference. The constitution of a CIO cannot extend the statutory power of constitutional amendment, but the General Regulations provide that you may include additional restrictions in some or all cases, for example requiring a longer period of notice, before the meeting, or a higher majority, for certain changes. Additionally restrictions are not provided for in this model and if you are considering this, we recommend that you take appropriate advice. To request the Commission’s consent to an amendment or to inform the Commission of an amendment, please complete our online forum.

- (2) The charity trustees must comply with their obligation to inform the Commission within 28 days of any change in the particulars of the CIO entered on the Central Register of Charities.

26. Rules

Not Used.

27. Disputes

If a dispute arises between members of the CIO about the validity or propriety of anything done by the members under the constitution, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

28. Amendment of constitution

As provided by sections 224-227 of the Charities Act 2011:

- (1) This constitution can only be amended:
 - (a) by resolution agreed in writing by all members of the CIO; or
 - (b) by a resolution passed by a 75% majority of those voting at a general meeting of the members of the CIO called in accordance with clause 19 (General meetings of members).
- (2) Any alteration of clause 3 (Objects), clause 29 (Voluntary winding up or dissolution), this clause, or of any provision where the alteration would provide authorisation for any benefit to be obtained by charity trustees or members of the CIO or persons connected with them, requires the prior written consent of the Charity Commission.
- (3) No amendment that is inconsistent with the provisions of the Charities Act 2011 or the General Regulations shall be valid.

A copy of every resolution amending the constitution, together with a copy of the CIO’s

Clause 29 – Voluntary winding up or dissolution – This clause reflects the provisions of the 2011 Act and the General Regulations. We recommend that it is included in the constitution for ease of reference. It also highlights that there are other requirements in the Dissolution Regulations that the trustees must comply with, as there are offences for non-compliance. To inform the Commission of your CIO's dissolution, please complete our online forum.

(2) The constitution must contain directions about how its property will be applied if it is wound up. Any assets remaining after the payment of debts must be applied for charitable purposes that are Notes

Similar to those of the CIO.

(4) It is essential for trustees to be aware that if the CIO is unable to meet its financial obligations in full when it is wound up, the provisions in sub-clauses (1)-(3) do not apply, and the relevant provisions of the Dissolution regulations must be followed. Failure to do is not only an offence, but could lead to personal liability for the trustees.

constitution as amended must be sent to the Commission by the end of the period of 15 days beginning with the date of passing of the resolution, and the amendment does not take effect until it has been recorded in the Register of Charities.

29. Voluntary winding up or dissolution

- (1) As provided by the Dissolution Regulations, the CIO may be dissolved by resolution of its members. Any decision by the members to wind up or dissolve the CIO can only be made:
 - (a) At a general meeting of the members of the CIO called in accordance with clause 19 (General meetings of members), of which not less than 14 days' notice has been given to those eligible to vote:
 - i. by a resolution passed by a 75% majority of those voting, or
 - ii. by a resolution passed by decision taken without a vote and without any expression of dissent in response to the question put to the general meeting; or
 - (b) by a resolution agreed in writing by all members of the CIO.
- (2) Subject to the payment of all the CIO's debts:
 - (a) Any resolution for the winding up of the CIO, or for the dissolution of the CIO without winding up, may contain a provision directing how any remaining assets of the CIO shall be applied.
 - (b) If the resolution does not contain such a provision, the charity trustees must decide how any remaining assets of the CIO shall be applied.
 - (c) In either case the remaining assets must be applied for charitable purposes the same as or similar to those of the CIO.
- (3) The CIO must observe the requirements of the

Dissolution Regulations in applying to the Commission for the CIO to be removed from the Register of Charities, and in particular:

- (a) the charity trustees must send with their application to the Commission:
 - i. a copy of the resolution passed by the members of the CIO;
 - ii. a declaration by the charity trustees that any debts and other liabilities of the CIO have been settled or otherwise provided for in full; and
 - iii. a statement by the charity trustees setting out the way in which any property of the CIO has been or is to be applied prior to its dissolution in accordance with this constitution;

- (4) If the CIO is to be wound up or dissolved in any other circumstances, the provisions of the Dissolution Regulations must be followed.

Notes

Clause 30 – Interpretation – this clause explains some terms used in the rest of the constitution

30. Interpretation

“connected person” means:

- (a) a child, parent, grandparent, brother or sister of the charity trustee;
- (b) the spouse or civil partner of the charity trustee or of any person falling within sub-clause (a) above;
- (c) a person carrying on business in partnership with the charity trustee or with any person falling within sub-clause (a) or (b) above;
- (d) an institution which is controlled –
 - i. by the charity trustee or any connected person falling within sub-clause (a), (b) or (c) above; or
 - ii. by two or more persons falling within sub-clause (d)(i) who, when taken together, have a substantial

interest.

- (e) a body corporate in which –
 - i. the charity trustee or any connected person falling with sub-clauses (a) to (c) has a substantial interest; or
 - ii. two or more persons falling within sub-clause (e)(i) who, when taken together, have a substantial interest.

Section 118 of the Charities Act 2011 apply for the purpose of interpreting the terms used in this constitution.

“General Regulations” means the Charitable Incorporated Organisations (General) Regulations 2012.

“Dissolution Regulations” means the Charitable Incorporated Organisations (Insolvency and Dissolution) Regulations 2012.

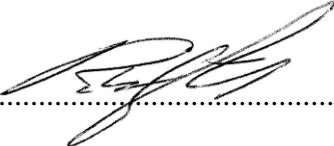
The “Commissions Provisions” means the Communications Provisions in Part 10, Chapter 4 of the General Regulations.

“charity trustee” means a charity trustee of the CIO.

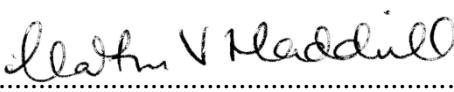
A “poll” means a counted vote or ballot, usually (but not necessarily) in writing.

Notes

This revised Constitution was adopted by an email response of Trustees on 22-24 November 2016

signed  printed *R. STEVENS*

Chairman

signed  printed *M. V. HADDILL*

Correspondent