

# CRAWLEY DOWN RESIDENTS ASSOCIATION

## Constitution and Governance Handbook

### Charitable Incorporated Organisation (CIO, Association Model)

Adopted on: \_\_\_\_\_

Date CIO came into being: \_\_\_\_\_

(For the purposes of this constitution, this date is the reference date for the Crawley Down Ward boundary definition in clause 6.2.)

## PART 1 – CONSTITUTION

### 1. Name

The name of the Charitable Incorporated Organisation (CIO) is **Crawley Down Residents Association (CDRA)**.

### 2. Interpretation

In this constitution:

- **“CIO”** means Crawley Down Residents Association (CDRA).
- **“the trustees”** means the charity trustees of the CIO.
- **“the Committee”** means the trustees acting collectively.
- **“Committee Meeting”** means a meeting of the trustees.
- **“member”** means a member of the CIO in accordance with clause 6.
- **“household”** has the meaning given in clause 6.1.
- **“clear days”** means, in relation to the period of a notice, that the day on which the notice is given and the day of the meeting are not included in the period.
- **“membership year”** means the 12-month period to which an annual subscription relates, as determined by the Committee from time to time.

References to a “resolution” are to a decision taken by members at a general meeting unless this constitution states otherwise.

### **3. Charitable Objects**

To promote for the public benefit the social welfare of the inhabitants of Crawley Down and surrounding areas by:

- advancing citizenship and community development
- organising inclusive community events
- maintaining community assets including seasonal decorations and Christmas lights
- supporting local voluntary and charitable organisations
- providing facilities and activities in the interests of social welfare

The CIO operates exclusively for charitable purposes in accordance with the Charities Act 2011.

### **4. Powers**

The CIO has power to do anything lawful which is necessary or desirable for the achievement of its objects, including (without limitation) to:

- raise funds and invite and receive contributions, provided that in doing so it does not undertake any taxable permanent trading that is not permitted to a charity
- buy, take on lease or in exchange, hire or otherwise acquire property and to maintain and equip it for use
- sell, lease or otherwise dispose of property, subject to any legal requirements applying to charities
- cooperate with other charities, voluntary bodies and statutory authorities
- establish or support any charitable trusts, associations or institutions
- employ staff and engage contractors
- do all such other lawful things as are necessary for the attainment of the objects

## 5. Application of income and property

5.1 The income and property of the CIO must be applied solely towards the promotion of its objects.

5.2 A trustee or member must not receive any distribution from the CIO, except as expressly permitted by this constitution or by charity law, and except for reimbursement of reasonable expenses properly incurred on behalf of the CIO.

5.3 Trustee remuneration and connected persons

The CIO may pay a trustee (or a person or company connected to a trustee) for providing services to the CIO, or for supplying goods, only where:

- this is permitted by charity law;
- the trustees have complied with the CIO's conflict of interest requirements;
- the trustees have undertaken reasonable due diligence to ensure the arrangements are on reasonable terms and represent value for money;
- the decision and the reasons for it are properly recorded;
- any trustee who is conflicted in relation to the arrangement does not vote on it and does not count towards the quorum for that item of business; and
- a majority of the trustees then in office are not in receipt of remuneration or payments from the CIO (other than reimbursement of expenses), unless charity law permits otherwise.

5.4 Nothing in this constitution prevents the CIO from providing benefits to members that are properly in furtherance of the CIO's charitable purposes and compliant with charity law (see clause 6.6).

## 6. Membership

### 6.1 Eligibility

- Membership is open to households in Crawley Down and to households with a demonstrable connection to Crawley Down.
- For the purposes of this constitution, a **household** means one or more individuals living at the same address.

## 6.2 Meaning of “Crawley Down” and demonstrable connection

- In this constitution, “**Crawley Down**” means **Crawley Down Ward**, with the boundaries **as they were at the date the CIO came into being** stated on the front page of this document.
- The trustees may revise the geographical area referenced in this constitution where they consider it beneficial or necessary for the CIO, by a **majority vote of trustees at a Committee Meeting**, and must record the decision and the revised definition in the CIO’s records. Any such revision must comply with charity law and, where it constitutes a regulated alteration, must not take effect unless and until any required Charity Commission consent has been obtained.
- For the purposes of this constitution, a **demonstrable connection** includes (without limitation) where at least one member of the household:
  - works in Crawley Down; or
  - owns or operates a business in Crawley Down; or
  - volunteers with the CIO; or
  - previously lived in Crawley Down **within the last 5 years**, measured **as at the start of the relevant membership year**.
- For the avoidance of doubt, a household that qualifies solely under the “previously lived” limb must continue to meet the 5-year test at the start of each membership year in order to renew.
- The trustees may reasonably require information to confirm eligibility and may refuse or terminate membership where eligibility is not met.

## 6.3 Subscription

- Each household membership is subject to payment of an annual subscription.
- The subscription amount will be set by the trustees and may be varied from time to time.
- The trustees may waive the subscription in individual cases.

## 6.4 Register of members

The CIO must keep a register of members including the household address and the nominated voting representative for each household.

## 6.5 One vote per household

- Each household membership is entitled to **one vote** at general meetings, provided the subscription is fully paid (unless waived by the trustees).
- A household must nominate one individual aged 16 or over as its voting representative.
- The nominated representative may be changed by notice to the CIO.
- Where a trustee is also the nominated representative of a household member, that household still has **only one vote**. Trustees do not have additional votes at general meetings by virtue of being trustees.

## 6.6 Public benefit and member benefits

- The CIO's charitable activities are carried out for the public benefit within its area of benefit and are not restricted to members.
- The trustees may offer recognition or preferential rewards to members as a thank you for their support (for example, reduced ticket prices, priority booking windows, or member communications), provided that any such arrangements are consistent with charity law and do not result in private benefit that is more than incidental to the public benefit delivered by the CIO.

## 6.7 Ending membership

Membership ends if:

- the household gives written notice to the CIO; or
- the subscription is unpaid after reasonable reminders and any grace period set by the trustees; or
- the trustees decide that the household is no longer eligible; or
- the trustees resolve to terminate membership for conduct that is seriously prejudicial to the CIO or inconsistent with supporting the CIO's objects.

Before terminating membership (other than for non-payment or ineligibility), the trustees must give the household reasonable notice of the concerns and a fair opportunity to make representations. The trustees' decision is final.

## 7. Trustees

### 7.1 Trustee body

The charity trustees form the **Committee**. The Committee governs the CIO.

### 7.2 Number of trustees

- The Committee must consist of **no fewer than 4** and **no more than 11** trustees.
- The trustees must include the following officer roles: **Chair, Vice Chair, Secretary, Treasurer**.

### 7.3 Eligibility

No person may be appointed as a trustee if they are disqualified under charity law from acting as a trustee.

### 7.4 Appointment and term

- Trustees are elected by the members at the AGM.
- Trustees serve for a term of **up to 3 years** and may stand for re-election.
- The Committee may set a rotation arrangement to stagger trustee terms for continuity.

### 7.5 Co-option and vacancies

- The Committee may co-opt an eligible person to serve as a trustee between AGMs to fill a vacancy or add relevant skills.
- A co-opted trustee serves until the next AGM, where they may stand for election.

### 7.6 Ending trusteeship

A trustee ceases to hold office if they:

- resign by written notice to the CIO; or
- become disqualified from acting as a trustee under charity law; or
- are absent from **three consecutive Committee Meetings** without good reason and without the Committee's approval; or

- act in a manner which, in the reasonable opinion of the Committee, brings the CIO into disrepute or is inconsistent with the CIO's charitable purposes; or
- are removed by an **ordinary resolution** of the members at a general meeting.

Before the Committee removes a trustee (other than for disqualification), the trustee must be given reasonable notice of the concerns and a fair opportunity to make representations.

## 7.7 Ordinary resolution

An **ordinary resolution** means a resolution passed by a **simple majority** (more than 50%) of the votes cast by members entitled to vote at a general meeting.

## 7.8 Duty of care

The trustees must exercise their powers and duties with reasonable care and skill, and in a manner they reasonably believe to be in the best interests of the CIO and consistent with its charitable purposes.

# 8. General meetings of members

## 8.1 Annual General Meeting

- The CIO must hold an AGM each year within **8 weeks** of the end of the financial year.
- At least **14 clear days' notice** must be given to members.

## 8.2 Extraordinary General Meetings

An EGM may be called:

- by the Committee, supported by at least **3 trustees**; or
- by a written request to the CIO from at least **10 household members** entitled to vote, stating the business to be considered.

## 8.3 Notice of general meetings

The notice of a general meeting must state:

- the date, time and place (or electronic arrangements);

- the general nature of the business; and
- any resolutions to be proposed.

## 8.4 Quorum

No business may be transacted at a general meeting unless a quorum is present. The quorum is:

- **10 household members** entitled to vote; and
- **at least 3 trustees.**

## 8.5 Chairing general meetings

- The Chair presides at general meetings.
- If the Chair is not present, the Vice Chair presides.
- If neither is present, the members present must choose one of the trustees present to chair the meeting.

## 8.6 Voting at general meetings

- Decisions are taken by a show of hands unless the chair decides another method is appropriate.
- Each household has one vote, exercised by its nominated voting representative.
- In the event of an equality of votes, the chair has a casting vote.

Proxy voting and postal or electronic ballots are not permitted except as expressly permitted for dissolution voting under clause 15.2A.

## 8.7 Written resolutions of members

8.7.1 Members may pass resolutions in writing where the Committee decides to use a written resolution procedure for a particular decision, subject to clauses 14 and 15.

8.7.2 A written resolution is effective only if:

- a copy of the proposed resolution has been sent to all members eligible to vote on it;
- the proposed resolution specifies the date by which members must respond, which must be not less than 14 clear days after the date on which it is sent; and

- the required majority of eligible members has signified agreement in writing (including by electronic means) by the specified date.

8.7.3 Except where this constitution requires agreement in writing by all members, a written resolution is passed if it is agreed by a simple majority of the members eligible to vote on it.

## 9. Committee Meetings (trustee meetings)

### 9.1 Calling Committee Meetings

- The Committee must meet at least **quarterly**.
- The Chair (or any two trustees) may call a Committee Meeting.
- Reasonable notice should be given, unless the business is urgent.

### 9.2 Quorum

The quorum for a Committee Meeting is **4 trustees**.

### 9.3 Decision-making

- Decisions at Committee Meetings are taken by a simple majority of votes cast.
- Each trustee has one vote.
- In the event of an equality of votes, the Chair has a casting vote.

### 9.4 Conflicts of interest

A trustee must declare any direct or indirect interest in a matter to be considered and must not vote on any matter in which they have a conflict of interest, except to the extent permitted by charity law. The trustees must record declarations and decisions.

### 9.5 Minutes

The CIO must keep minutes of general meetings and Committee Meetings.

## 10. Delegation and outsourcing

10.1 The Committee may establish sub-committees and delegate functions to them, on terms and with limits that the Committee decides.

10.2 The Committee may also outsource operational delivery (events, seasonal decorations, initiatives and similar activities) where this supports the CIO's objects.

10.3 Where work is outsourced, the trustees must undertake reasonable due diligence to satisfy themselves that:

- the supplier is suitable and competent;
- the price is reasonable and represents value for money (for example by comparing quotes where appropriate); and
- any conflict of interest is identified and properly managed.

10.4 Delegations must be recorded in minutes, include any budget authority, and require reporting back to the Committee.

## 11. Financial year

The financial year runs from **1 March to 28/29 February**.

## 12. Accounts, reporting and records

12.1 The CIO must keep proper accounting records and prepare accounts and reports as required by law.

12.2 The CIO must submit its annual return and other filings to the Charity Commission as required.

12.3 Independent examination or audit must be arranged where required by charity law.

12.4 The CIO must keep a register of trustees and a register of members, and retain minutes and key governance records.

## 13. Notices

13.1 Notices may be given to members by post or by electronic means using contact details held in the register of members, unless a member has asked not to receive notices electronically.

13.2 Deemed receipt of notices given by post or electronic means is subject to the Charitable Incorporated Organisations (General) Regulations 2012, including Regulation 53.

## 14. Amendment of constitution

14.1 This constitution can only be amended:

- by a resolution agreed in writing by **all members** of the CIO; or
- 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 8.

14.2 Any amendment must comply with charity law. No amendment may be made that would cause the CIO to cease to be a charity in law.

14.3 Any alteration of:

- the CIO's objects (clause 3);
- the dissolution provisions (clause 15);
- this amendment clause (clause 14); or
- any provision where the alteration would provide authorisation for any benefit to trustees or members beyond that permitted by charity law,

is subject to any requirements for Charity Commission consent, approval or registration that apply at the time, and must not take effect unless and until any such requirements have been satisfied.

## 15. Dissolution (CIO routes, with additional 75% of all members requirement)

15.1 The CIO may be dissolved only if a dissolution resolution is approved:

- by a resolution agreed in writing by **all members** of the CIO; or
- 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 8.

#### 15.2 Additional requirement

In addition to clause 15.1, a dissolution resolution is effective only if the number of votes cast in favour is also **at least 75% of all household members entitled to vote** at the date the notice of the meeting is issued.

#### 15.2A Postal and electronic voting for dissolution

For the purposes of meeting the requirement in clause 15.2, the CIO may allow members to vote on the dissolution resolution **by post or by electronic means**, provided that:

- each household has **only one vote**;
- the vote is cast by the household's nominated voting representative recorded in the register of members (or updated by notice to the CIO before the close of voting);
- the notice of the meeting specifies the voting method(s) to be used, the wording of the resolution, and the deadline for receipt of postal/electronic votes; and
- the trustees take reasonable steps to verify the identity of the voter and to ensure votes are recorded accurately and securely.

#### 15.2B Counting of votes

Votes cast by post or electronic means in accordance with clause 15.2A must be counted together with votes cast at the general meeting for the purposes of:

- determining whether the 75% majority of those voting required by clause 15.1 has been met; and
- determining whether the 75% of all members requirement in clause 15.2 has been met.

15.3 For the purposes of clause 15.2, "all household members entitled to vote" means all households recorded in the register of members as at the date the notice is issued, excluding any households whose voting rights are suspended due to non-payment of subscription (unless waived by the Committee).

15.4 The notice of the general meeting must:

- state that a dissolution resolution will be proposed; and

- state the total number of household members entitled to vote at the date of the notice and the number of votes required to meet the threshold in clause 15.2.

15.5 If the dissolution resolution is passed, the trustees must, after settling liabilities, transfer the remaining assets to one or more charities with objects similar to those of the CIO, as decided by the members or, failing that, by the Committee.

15.6 No assets may be distributed to members.

## **PART 2 – GOVERNANCE FRAMEWORK**

(Part 2 is adopted to support the operation of the constitution. Where it conflicts with Part 1, Part 1 prevails.)

### **1. Governance structure**

The Committee governs the CIO and may establish sub-committees with delegated authority. Sub-committees must report back to the Committee and operate within agreed terms of reference.

### **2. Officers**

The Committee appoints the officers from among the trustees. Officer appointments are reported to the AGM. The Chair normally serves a maximum of three consecutive years unless extended for continuity.

### **3. Meetings and quorum summary**

- AGM and EGM quorum: 10 household members entitled to vote, including at least 3 trustees.
- Committee Meeting quorum: 4 trustees.
- Sub-committee quorum: 3 members including at least one trustee (unless the Committee sets a different quorum in its terms of reference).

## **4. Voting summary**

- General meetings: one vote per household.
- Committee Meetings: one vote per trustee.
- Chair has a casting vote if votes are tied.

## **5. Asset management**

An asset register must be maintained. Assets may not be disposed of without Committee approval.

## **6. Financial oversight**

The Treasurer presents financial reports at each Committee Meeting. Budgets are monitored against forecast. Independent examination or audit is arranged where required.

## **7. Risk management**

A risk register is maintained and reviewed at least annually.

## **8. Conflict of interest**

Trustees declare conflicts and withdraw from related decisions as required by Part 1 and the Conflict of Interest Policy.

# **PART 3 – KEY POLICIES**

(These policies are approved by the Committee and reviewed at least annually. Policies provide operational detail and do not override the constitution.)

## 1. Overview

The CIO maintains written policies to support effective governance, legal compliance and safe delivery of activities. Policies are communicated in a proportionate way to volunteers and others supporting the CIO.

## 2. Core governance policies

- Conflict of Interest Policy
- Financial Controls Policy
- Reserves Policy
- Risk Management Policy and Risk Register
- Safeguarding Policy and Statement

## 3. Operational and delivery policies

- Volunteer Policy
- Events Safety Policy (including risk assessments)
- Data Protection and Privacy Policy
- Equality, Diversity and Inclusion Policy
- Complaints Policy

## 4. Asset and procurement policies

- Asset Management Policy
- Procurement and Contracting Policy (including obtaining quotes and value for money)

## 5. Membership policy

- Membership Administration Policy (subscriptions, waivers, renewals, nominated representative, eligibility checks, ending membership)