

Local Initiatives in New Galloway (LING)

Scottish Charitable Incorporated Organisation (SCIO) Number SCO47553

Constitution

**based on original constitution adopted on 11
December 2008**

**amended to take account of SCIO guidelines - July
2017**

as approved at LING AGM on 15th February 2018



Chairman: Ros Hill, Rathan House, High Street, New Galloway, DG7 3RL Tel: 01644 420632
Email: ros.hill@rathanhouse.me.uk

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GENERAL

Type of Association

1. The association will, upon registration, be a Scottish Charitable Association (SCIO)

Scottish Principal Office

2. The principal office of the association is in Scotland (and will remain in Scotland).

Name

3. The name of the association is Local Initiatives in New Galloway (LING).

Purposes

4. The association's purposes are:

The promotion for the benefit of the public of rural regeneration in areas of social and economic deprivation (and in particular in the Royal Burgh of New Galloway and Kells Parish, Dumfries and Galloway) by any of the following means

- a. The maintenance, improvement or provision of public amenities and facilities in the Royal Burgh of New Galloway
- b. The provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, have need of such facilities
- c. The preservation of buildings in the area which are of historic or architectural importance, especially the New Galloway Town Hall.

Powers

5. In pursuance of the purposes set out in clause 4 (but not otherwise), the association shall have the following powers:-

- (a) To initiate and carry out such projects as are intended to achieve a sustainable and resilient rural community
- (b) To take appropriate action to further any of the purposes in (4) above
- (c) To do anything which may be incidental or conducive to the furtherance of any of the association's purposes.

6. No part of the income or property of the association may be paid or transferred (directly or indirectly) to the members - either in the course of the association's existence or on dissolution - except where this is done in direct furtherance of the association's charitable purposes.

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General structure

7. The structure of the association shall consist of:-

(a) the MEMBERS - who have the right to attend the annual general meeting (and any special general meeting) and have overall powers under the constitution; in particular, the members elect people to serve on the board and take decisions in relation to changes to the constitution itself

(b) the BOARD - who hold regular meetings during the period between annual general meetings, and generally control and supervise the activities of the association; in particular, the board is responsible for monitoring the financial position of the association.

8. The people serving on the board are referred to in this constitution as Charity Trustees.

MEMBERS

Qualifications for membership

9. Membership shall be open to any individual who is interested in furthering the association's purposes.

10. An employee of the association shall not be eligible for membership; a person who becomes an employee of the association after admission to membership shall automatically cease to be a member.

Liability of Members

11. The members of the association have no liability to pay any sums to help to meet the debts (or other liabilities) of the association if it is wound up; accordingly, if the association is unable to meet its debts, the members will not be held responsible.

12. The members and charity trustees have certain legal duties under the Charities and Trustee Investment (Scotland) Act 2005; and clause 11 does not exclude (or limit) any personal liabilities they might incur if they are in breach of those duties or in breach of other legal obligations or duties that apply to them personally.

Application for membership

13. Any person who wishes to become a member must sign, and lodge with the association, a written application for membership.

14. The board may, at its discretion, refuse to admit any person to membership, but not on the basis of excepted characteristics.

15. The board shall consider each application for membership at the first board meeting which is held after receipt of the application; the board shall, within a reasonable time after the meeting, notify the applicant of its decision on the application.

Membership subscription

16. No membership subscription shall be payable.

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Register of members

17. The board shall maintain a register of members, setting out the full name and address of each member, the date on which s/he was admitted to membership, and the date on which any person ceased to be a member. Former members names must remain on the register for six years from the date on which he/she ceased to be a member.

Withdrawal from membership

18. Any person who wishes to withdraw from membership shall sign, and lodge with the association, a written notice to that effect; on receipt of the notice by the association, s/he shall cease to be a member.

Expulsion from membership

19. Any person may be expelled from membership by way of a resolution passed by two-thirds majority vote at a general meeting (in accord with clause 32) providing the following procedures have been observed:-

(a) at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion

(b) the member concerned shall be entitled to be heard on the resolution at the general meeting at which the resolution is proposed.

DECISION-MAKING BY MEMBERS

General meetings (meetings of members)

20. The board shall convene an annual general meeting in each year (but excluding the year in which the association is formed); not more than 15 months shall elapse between one annual general meeting and the next.

21. The business of each annual general meeting shall include:-

(a) a report by the chair on the activities of the association

(b) consideration of the annual accounts of the association

(c) the election/re-election of members of the board, as referred to in clause 44.

22. The board may convene a special general meeting at any time.

Notice of general meetings

23. At least 14 clear days' notice must be given of any annual general meeting or special general meeting; the notice must indicate the general nature of any business to be dealt with at the meeting and, in the case of a resolution to alter the constitution, must set out the terms of the proposed alteration.

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24. The reference to “clear days” in clause 23 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, and also the day of the meeting, should be excluded.

25. Notice of every general meeting shall be given to all the members of the association, and to all the members of the board.

Procedure at general meetings

26. No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be 25% of the members.

27. If a quorum is not present within 15 minutes after the time at which a general meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.

28. The chair of the association shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the members of the board present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.

29. The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.

Voting at General Meetings

30. Every member has one vote, which must be given personally, or by proxy.

31. All decisions at members' meetings will be made by majority vote - with the exception of the types of resolution listed in clause 32.

32. The following resolutions will be valid only if passed by not less than two thirds of those voting on the resolution at a members' meeting (or if passed by way of a written resolution under clause 36):

- a) a resolution amending the constitution;
- b) a resolution expelling a person from membership under clause 19;
- c) a resolution directing the board to take any particular step (or directing the board not to take any particular step);
- d) a resolution approving the amalgamation of the organisation with another SCIO (or approving the constitution of the new SCIO to be constituted as the successor pursuant to that amalgamation);
- e) a resolution to the effect that all of the organisation's property, rights and liabilities should be transferred to another SCIO (or agreeing to the transfer from another SCIO of all of its property, rights and liabilities);
- f) a resolution for the winding up or dissolution of the organisation.

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33. If there is an equal number of votes for and against any resolution, the chairperson of the meeting will be entitled to a second (casting) vote.

34. A resolution put to the vote at a members' meeting will be decided on a show of hands - unless the chairperson (or at least two other members present at the meeting) ask for a secret ballot.

35. The chairperson will decide how any secret ballot is to be conducted, and he/she will declare the result of the ballot at the meeting.

Written Resolutions by Members

36. A resolution agreed to in writing (or by e-mail) by the members will be as valid as if it had been passed at a members' meeting; the date of the resolution will be taken to be the date on which the last member agreed to it.

Minutes

37. The board must ensure that proper minutes are kept in relation to all members' meetings.

38. Minutes of members' meetings must include the names of those present; and (so far as possible) should be signed by the chairperson of the meeting.

BOARD

Number of Charity Trustees

39. The maximum number of members of the board shall be 12.

40. The number of co-opted trustees should not exceed the number of elected trustees.

Eligibility

41. A person shall not be eligible for election/appointment to the board unless he/she is a member of the association.

42. A person will not be eligible for election or appointment to the board if he/she is: - disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005; or is an employee of the organisation.

Initial Charity Trustees

43. The individuals who signed the charity trustee declaration forms which accompanied the application for incorporation of the organisation shall be deemed to have been appointed by the members as charity trustees with effect from the date of incorporation of the organisation.

Election, retiral, re-election

44. At each annual general meeting, the members may (subject to clause 39) elect any member to be a member of the board.

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45. The board may at any time appoint any member to be a member of the board (subject to clause 40).

46. At each annual general meeting, all of the members of the board shall retire from office - but shall then be eligible for re-election.

Termination of office

47. A member of the board shall automatically vacate office if:-

- (a) he/she becomes debarred under any statutory provision from being a charity trustee
- (b) he/she ceases to be a member of the association
- (c) he/she becomes an employee of the association
- (d) he/she resigns office by notice to the association
- (e) he/she is absent (without permission of the board) from more than three consecutive meetings of the board, and the board resolve to remove him/her from office.

Register of Charity Trustees

48. The Board shall maintain a register of board members, setting out the full name and address of each member of the board, the date on which each such person became a board member, and the date on which any person ceased to hold office as a board member. Former trustees' names must remain on the register for six years from the date on which he/she ceased to be a member.

49. If any person requests a copy of the register of charity trustees, the board must ensure that a copy is supplied to him/her within 28 days, providing the request is reasonable; if the request is made by a person who is not a charity trustee of the organisation, the board may provide a copy which has the addresses blanked out - if the SCIO is satisfied that including that information is likely to jeopardise the safety or security of any person or premises.

Office-bearers

50. The board members shall elect from among themselves a chair, a treasurer and a secretary, and such other office bearers (if any) as they consider appropriate.

51. All of the office bearers shall cease to hold office at the conclusion of each annual general meeting, but shall then be eligible for re-election.

52.. A person elected to any office shall cease to hold that office if he/she ceases to be a member of the board or if he/she resigns from that office by written notice to that effect.

Powers of Board

53. Except as otherwise provided in this constitution, the association and its assets and undertaking shall be managed by the board, who may exercise all the powers of the association.

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54. A meeting of the board at which a quorum is present may exercise all powers exercisable by the board; the quorum being 3 as per clause 71.

55. The members may, by way of a resolution passed in compliance with clause 32 (requirement for two-thirds majority), direct the board to take any particular step or direct the board not to take any particular step; and the board shall give effect to any such direction accordingly.

Charity Trustees - General Duties

56. Each of the charity trustees has a duty, in exercising functions as a charity trustee, to act in the interests of the organisation; and, in particular, must:-

a) seek, in good faith, to ensure that the organisation acts in a manner which is in accordance with its purposes;

b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;

c) in circumstances giving rise to the possibility of a conflict of interest between the organisation and any other party: put the interests of the organisation before that of the other party; and, where any other duty prevents him/her from doing so, disclose the conflicting interest to the organisation and refrain from participating in any deliberation or decision of the other charity trustees with regard to the matter in question;

d) ensure that the organisation complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.

57. In addition to the duties outlined in clause 56, all of the charity trustees must take such steps as are reasonably practicable for the purpose of ensuring: - that any breach of any of those duties by a charity trustee is corrected by the charity trustee concerned and not repeated; and that any trustee who has been in serious and persistent breach of those duties is removed as a trustee.

58. Provided he/she has declared his/her interest - and has not voted on the question of whether or not the organisation should enter into the arrangement - a charity trustee will not be debarred from entering into an arrangement with the organisation in which he/she has a personal interest; and (subject to clause 59 and to the provisions relating to remuneration for services contained in the Charities and Trustee Investment (Scotland) Act 2005), he/she may retain any personal benefit which arises from that arrangement.

59. No charity trustee may serve as an employee (full time or part time) of the organisation; and no charity trustee may be given any remuneration by the organisation for carrying out his/her duties as a charity trustee.

Code of Conduct for Charity Trustees

60. Each of the charity trustees shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the board from time to time.

61. The code of conduct referred to in clause 60 shall be supplemental to the provisions relating to the conduct of charity trustees contained in this constitution and the duties imposed on charity trustees under the Charities and Trustee Investment (Scotland) Act

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2005; and all relevant provisions of this constitution shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time

Personal interests

62. A member of the board, who has a personal interest in any transaction or other arrangement into which the association is proposing to enter, must declare that interest at a meeting of the board; he/she will be debarred (in terms of clause 75) from voting on the question of whether or not the association should enter into that arrangement.

63. For the purposes of clause 62, a person shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers or any firm of which he/she is a partner or any limited company of which he/she is a substantial shareholder or director, has a personal interest in that arrangement.

64. Provided

(a) he/she has declared his/her interest

(b) he/she has not voted on the question of whether or not the association should enter into the relevant arrangement and

(c) the requirements of clause 66 are complied with,

a member of the board will not be debarred from entering into an arrangement with the association in which he/she has a personal interest (or is deemed to have a personal interest under clause 63) and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

65. No member of the board may serve as an employee (full time or part time) of the association, and no member of the board may be given any remuneration by the association for carrying out his/her duties as a member of the board.

66. Where a board member provides services to the association or might benefit from any remuneration paid to a connected party for such services, then

(a) the maximum amount of the remuneration must be specified in a written agreement and must be reasonable

(b) the board members must be satisfied that it would be in the interests of the association to enter into the arrangement (taking account of that maximum amount)

(c) less than half of the board members must be receiving remuneration from the association (or benefit from remuneration of that nature).

67. The members of the board may be paid all travelling and other expenses reasonably incurred by them in connection with their attendance at meetings of the board, general meetings, or meetings of committees, or otherwise in connection with the carrying-out of their duties.

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DECISION-MAKING BY CHARITY TRUSTEES

Notice of Board Meetings

68. Any charity trustee may call a meeting of the board *or* ask the secretary to call a meeting of the board.

69. At least 7 days' notice must be given of each board meeting, unless (in the opinion of the person calling the meeting) there is a degree of urgency which makes that inappropriate.

Procedure at Board meetings

70. Questions arising at a meeting of the board shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.

71. No business shall be dealt with at a meeting of the board unless a quorum is present; the quorum for meetings of the board shall be 3.

72. If at any time the number of board members in office falls below the number fixed as the quorum, the remaining board member(s) may act only for the purpose of filling vacancies or of calling a general meeting.

73. Unless he/she is unwilling to do so, the chair of the association shall preside as chairperson at every board meeting at which he/she is present; if the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the board members present shall elect from among themselves the person who will act as chairperson of the meeting.

74. The board may, at its discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the board; for the avoidance of doubt, any such person who is invited to attend a board meeting shall not be entitled to vote.

75. A board member shall not vote at a board meeting (or at a meeting of a committee) on any resolution concerning a matter in which he/she has a personal interest which conflicts (or may conflict) with the interests of the association; he/she must withdraw from the meeting while an item of that nature is being dealt with.

76. For the purposes of clause 75, a person shall be deemed to have a personal interest in a particular matter if any partner or other close relative of his/hers or any firm of which he/she is a partner or any limited company of which he/she is a substantial shareholder or director, has a personal interest in that matter.

Delegation to sub-committees

77. The board may delegate any of their powers to any sub-committee consisting of one or more board members and such other persons (if any) as the board may determine; they may also delegate to the chair of the association (or the holder of any other post) such of their powers as they may consider appropriate.

78. Any delegation of powers under clause 77 may be made subject to such conditions as the board may impose and may be revoked or altered.

79. The rules of procedure for any sub-committee shall be as prescribed by the board.

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Minutes

80. The board shall ensure that minutes are made of all proceedings at general meetings, board meetings and meetings of committees; a minute of any meeting shall include the names of those present, and (as far as possible) shall be signed by the chairperson of the meeting.

ADMINISTRATION

Operation of accounts and holding of property

81. The signatures of two out of three signatories appointed by the board shall be required in relation to all operations (other than lodgement of funds) on the bank and building society accounts held by the association; at least one out of the two signatures must be the signature of a member of the board.

82. Where the association uses electronic facilities for the operation of any bank or building society account, any operation involving over £200 must be preceded by an email authorisation from one of the other signatories and a printed copy of the email authorisation shall be held in the records.

Accounting records and annual accounts

83. The board shall ensure that proper accounting records are maintained in accordance with all applicable statutory requirements.

84. The board shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if they otherwise think fit, they shall ensure that an audit of such accounts is carried out by a qualified auditor.

MISCELLANEOUS

Dissolution

85. If the board determines that it is necessary or appropriate that the association be dissolved, it shall convene a meeting of the members; not less than 21 days' notice of the meeting (stating the terms of the proposed resolution) shall be given.

86. If a proposal by the board to dissolve the association is confirmed by a two-thirds majority of those present and voting at the general meeting convened under clause 89, the board shall have power to dispose of any assets held by or on behalf of the association - and any assets remaining after satisfaction of the debts and liabilities of the association shall be transferred to some other charitable body or bodies having objects similar to those of the association; the identity of the body or bodies to which such assets are transferred shall be determined by the members of the association at, or prior to, the time of dissolution.

87. For the avoidance of doubt, no part of the income or property of the association shall (otherwise than in pursuance of the association's charitable objects) be paid or transferred (directly or indirectly) to the members, either in the course of the association's existence or on dissolution.

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Alterations to the constitution

88. This constitution may (subject to clause 89) be altered by resolution of the members passed at a members' meeting (subject to achieving the two thirds majority referred to in clause 32) or by way of a written resolution of the members.

89. The Charities and Trustee Investment (Scotland) Act 2005 prohibits taking certain steps (eg change of name, an alteration to the purposes, amalgamation, winding-up) without the consent of the Office of the Scottish Charity Regulator (OSCR).

Interpretation

90. For the purposes of this constitution,

(a) the expression "charity" shall mean a body which is either a "Scottish charity" within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a "charity" within the meaning of section 96 of the Charities Act 1993

(b) the expression "charitable purpose" shall mean a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of sections 505 and 506 of the Income and Corporation Taxes Act 1988.

91. Any reference in this constitution to a provision of any legislation shall include any statutory modification or re-enactment of that provision in force from time to time.

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This constitution was adopted at the LING AGM on _____

Name	Address	Position	Signature
_____	_____ _____ _____	_____	_____
_____	_____ _____ _____	_____	_____

