



## **Wellspring Settlement's Articles of Association: Summary**

All charities and companies (and Wellspring Settlement is both) must have a constitution (or set of rules) that say how they should work, to make sure they are legal, and that their members, staff, volunteers, trustees and finances are all protected. Sometimes the constitution is referred to as an Articles of Association (as ours is).

### **Key points**

#### **Section 4: Objects**

Our '**objects**', explain what we are all about, and the overarching aims of the organisation. We are not allowed to do anything that is not covered by them. We may not be doing all the things listed in our objects all of the time, but having them in the constitution will allow us to respond to any needs we identify in the community in future.

They are:

- To do things which bring benefit particularly to the residents of Lawrence Hill and Easton and surrounding neighbourhoods (but can also be for residents of Bristol, South Gloucestershire, Bath and North East Somerset and North Somerset) by relieving poverty, promoting good health and education;
- Providing support, education and advice to reduce health inequalities and improve wellbeing and health;
- Providing community buildings and facilities for recreation or leisure activities for the local community;
- Looking after community assets and using them for the benefit of the community.

Section 6 requires us to use any income or property we have solely to achieve our objects.

#### **Section 5: Powers**

Our '**powers**' are the wide range of things we are allowed to do. This does not mean we are doing them at the moment, or have to do them in future, but legally, we can do any of them if we need to without going back and changing the constitution. Most charities



will have something similar. Ours include organising activities and event, giving out information, doing research, providing advice, counselling and guidance, raising funds, and trading. We can also help to set up other organisations. Practically, we can borrow money, maintain property, lend and invest money, have bank accounts, insure ourselves, employ and pay staff and deal with their pensions. We can work with partners in a number of ways, including being contracted to provide services, joining organisations, having subsidiary companies etc. Within the limits of charity law, we can also 'influence public opinion' and government policy, so can do some elements of campaigning.

### **Members: Sections 3 and 10-12**

Wellspring Settlement is run by its members.

Membership is free and is open to anyone who supports the aims of the Settlement. They have to fill out an application form to apply. We have decided that membership lasts for just one year and has to be renewed annually. There are three categories of membership: Full, Associate and Organisational.

Full members are individuals who live in the local area, defined as Lawrence Hill and Easton and the surrounding neighbourhoods (we currently take this to mean all of Bristol). Only Full Members are entitled to vote at general meetings and there must be a majority of Full Members on the Board of Trustees.

Associate members are members who live outside of this area. They can be elected as Trustees and carry out all the duties of Trustees, but they cannot vote at general meetings.

Organisational members are tenants of the charity / other not for profit organisations in Inner City of East Bristol. Organisational members cannot vote at general meetings, but their nominated representative can be elected as Trustees.

Members cannot be employed by Wellspring Settlement but can benefit from the charity (be 'beneficiaries' and use our services).

Because Wellspring Settlement is a company, members are liable to pay a maximum of £10 if we were to close with debts to pay.



## **Section 13-26: General Meetings**

We have to hold at least one general meeting (the Annual General Meeting-AGM) each year (no more than 15 months apart). There are certain things that have to happen at an AGM like agreeing the accounts and Trustee reports, electing Trustees and the Chair and Treasurer, appointing Auditors (to prepare and check our accounts) and agreeing key policy issues. AGM meetings may be held online or in a hybrid way. Members must be given 21 clear days notice of the date of the AGM (only 14 days notice is required for general meetings unless the meeting is deciding to change the constitution).

Any Member can speak or vote at a general meeting/ AGM as long as it follows the arrangements agreed by the Trustees (e.g. the agenda). Ten Full members (or 10% of the total number of Full Members whichever is greater) have to be present (or have appointed someone to vote for them) at a general meeting for any decisions to be made (called a quorum) and for it to be legal.

The Chair or another Trustee can chair general meetings, and if none is present, the members there can choose a chair.

Voting at a general meeting will be done by a show of hands or by a poll taken at the meeting or in advance where it is put to the vote.

Written resolutions are the formal way that major decisions are made, and all Members can put in a resolution. Ordinary resolutions can be put to general meetings for a vote, but must be sent out at least 14 days in advance to all Members with the papers. Ordinary resolutions need to be passed by a simple majority of Full Members.

In certain circumstances (like changing the constitution) Company Law says that resolutions will be classed as special resolutions. If it is stated that it is a special resolution, it has to be passed by not less than 75% of Full Members who are present and voting at the meeting, and the meeting must have 21 days notice.

## **Section 6-9: Benefits to Trustees**

Trustees are also known as Directors as they are also the registered Directors of the company.

Trustees must not be employed by Wellspring Settlement or paid anything except expenses, but in certain circumstances they can supply goods or services to the charity or be a beneficiary of the charity.



Trustees have to declare if they have a 'personal interest' that might mean they might be biased, or might benefit from any decision being discussed, and then can't vote on that matter. A Register of Trustees' interests has to be kept.

Wellspring Settlement will insure Trustees so they don't have to pay out of their own money for any court cases, Tribunals etc (see section 58).

### **Sections 27-49: Powers of Trustees**

The Trustees are responsible for managing Wellspring Settlement within the rules of the constitution, but the Full Members can direct them to take particular actions or overrule a decision through a special resolution to a general meeting.

We have to elect a minimum of 6 Trustees each year to sit on the Board of Trustees each year. There is no specified maximum number of Trustees but at the first AGM a resolution was passed setting a maximum number of 20 Trustees so that all the Trustees of the two merged organisations could join the new Board. This was lowered to 15 at the following AGM as a number of Trustees had left during the year.

Trustees must be 16 years or older and must be members of the organisation, whether individual or representing an organisation. Trustees can serve for a maximum of 9 years and must be re-elected every three years. The Trustees can appoint a Trustee to fill a vacancy or trustees may be elected at an AGM. The Trustees may also co-opt people who bring specific expertise to the Board in addition to the maximum number of trustees but they will only serve until the AGM following their appointment.

The Chair and Treasurer are appointed at the AGM. The Trustees may appoint two vice-chairs who can chair meetings in the absence of the Chair.

Trustees can only make decisions if there are at least 2 of them (or a third of the Board if that is more). Trustees' decisions will be agreed if a majority who are there and vote in favour of what is proposed.

### **Section 61: Winding up**

If we were to close, we can pass any assets that are left (money, furniture etc.) to another charity doing a similar work.



## **Other issues**

The constitution contains a list of definitions in section 2 and further interpretation information in section 62

Section 50 – minutes must be kept of meetings

Section 51 – accounts must be prepared on annual basis and must comply with company law

Section 52 – we must produce an annual report which complies with charity law

Section 53-57 - details types of communication we are allowed to use

Section 59 - allows for other rules to be made

Section 60 - is about disputes