

## **Explanatory Notes to the Islington u3a Constitution**

### **Clause 5**

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 interpretation clause 33 and normally means someone to whom you are related or have a business interest with). This clause clarifies the restrictions that apply to the charity trustees. Even where trustees are allowed to benefit from the charity, this must only happen where the benefit is in the interests of the charity. In particular trustees must have regard to the u3a Guiding Principles which require all members to provide their time and services free of charge to each other. The Charity Commission's guidance 'Trustee expenses and payments (CC11)' provides more information about trustee benefits.

*No part of the clause allows trustees to receive payment for acting as a trustee.*

### **Clause 5 (2) (c)**

This section relates to any loan agreements between a trustee and the u3a. It is unlikely that such loans will exist, but should they be arranged please be cognisant of this section. The u3a should document the amount of, and the terms of, the trustee's or connected person's loan.

### **Clause 6 (6)**

The Charities Act 2011 sets out the accounting requirements for charities. If you have any queries contact the Third Age Trust for assistance or look at the advice section of the national website or the Charity Commission website for further guidance.

### **Clause 8 (2)**

Where a u3a is considering refusing membership please contact the Third Age Trust for guidance as to appropriate grounds for refusal.

### **Clause 8 (4)**

The trustees must ensure that they handle personal data in accordance with Data Protection legislation. The national website has advice relating to these regulations.

### **Clause 10 (4)**

An SGM is held for the consideration of non- recurring business that requires approval by the members between AGMs

### **Clause 11 (1) & (2)**

'Clear days' does not include the day on which the notice would be received by the member or the day on which the meeting is held.

The charity may send notice to each trustee at the UK address held in the charity's records: no notice is required for trustees living outside the UK.

### **Clause 12 (1)**

Means that a quorum must be present when an item is being discussed and voted on, in order for a decision on it to be valid. If the meeting subsequently becomes inquorate, this will not invalidate earlier, quorate decisions.

### **Clause 12 (2) (a)**

A u3a may change the figure for the quorum by agreeing this at an AGM. Any change should be considered carefully. If it is too high, it can be difficult to have a quorate meeting. If it is too low, a small minority may be able to make significant changes.

### **Clause 14**

This is a discretionary power for the members to adjourn a quorate meeting - when the meeting is reconvened it must be quorate. This provision differs from the adjournment provisions in Clause 12 which are not discretionary and must be used where a general meeting is not quorate.

Examples of where an adjournment may be necessary would include where members feel that there is insufficient information for decisions to be made and/or where a disruptive event occurs.

### **Clause 15 (5)**

This means that a resolution can be passed without holding a general meeting. It requires all members to agree to the decision and return their signed resolution in order for the decision to pass. For example, a u3a with 20 members would require 5 members to be present to pass a resolution at a general meeting, but the same u3a would need 20 members to sign a written resolution.

**Clause 16 (6) (b)**

This is designed to limit any long or indefinite terms of appointments of trustees under the u3a's previous constitution.

**Clause 16 (8)(a)**

This means that a trustee can serve on the committee for up to 12 years but an officer trustee must change roles after 3 years, and a non-officer trustee must change roles after 6 years. A trustee cannot serve in the same role (either officer or non-officer) beyond these limits without taking a year off in between.

**Clause 18 (1) (c)&(d)**

In the unlikely event that the u3a needs to avail itself of clauses 18(1) (c) or (d) then the Third Age Trust should be contacted for assistance.

**Clause 19**

Charity Commission guidance 'Finding New Trustees: What charities need to know (CC30)' gives guidance on who can be a trustee. In very broad terms, someone who has been convicted of offences involving deception or fraud, or who is an undischarged bankrupt or who has been removed from office as a charity trustee by the Commissioner will be disqualified from acting as a trustee. All trustees need to complete a trustee eligibility declaration form which is available on the Charity Commission website.

**Clause 22**

This clause prevents the risk of trustees' decisions being declared invalid for purely technical reasons.

**Clause 25**

The trustees can decide in what format the minutes should be kept and how to ensure they are a true record. Reference to meetings in this clause refers to formal meetings.

**Clause 26**

All charities must produce accounts and a report. The key accounting requirements for charities are set out on the Charity Commission's website. All registered charities with incomes over £10,000 must send accounts, Annual Report and Annual Return to the Charity Commission within 10 months of the end of their financial year

**Clause 26 (1) (e)**

The Annual Return provides a summary of key financial information and is used by the Charity Commission for monitoring purposes.

**Clause 26 (2)**

Requires you to inform the Third Age Trust promptly about changes to the officers occupying the officer positions and the correspondence address and to complete all other returns relating to membership.

**Clause 27**

A charity's entry on the Charity Commission website includes its name, correspondence address, objects (purpose), governing document (constitution and any amendments to it) and names of its trustees. The Charity Commission issues to every charity an Annual Return on which these details can be provided.

**Clause 28**

When the trustees in your u3a lease or own property the ownership of the land cannot rest with the charity directly as it has no separate legal identity.

The trustees will therefore need to ensure that title to the charity's land is held in the name of individuals ('holding trustees') or a company, in trust on behalf of the charity. If you are in this position, contact the Third Age Trust so that we can provide you with appropriate advice.

**Clause 31**

The term bye-laws relates to any standing orders or internal procedures that you may introduce for the effective running of the charity and its meetings. They cannot be used to change any of the provisions in this constitution.

**Clause 32**

The Third Age Trust has guidance for managing complaints, disciplinary matters and grievances on its website. It is strongly recommended that the u3as follow the Third Age Trust's recommendations in all cases of disputes and keep the Third Age Trust informed at an early stage if the dispute appears likely to present serious problems.