

The Trustees of the Friends of Streatham Common have started the process of registering with the Charity Commission as a charity – a Charitable Incorporated Organisation (CIO) with voting members other than its charity trustees (the ‘Association’ model).

Why are The Friends of Streatham Common registering as a charity with the Charity Commission?

- because it will add weight to our voice when dealing with Lambeth Council and other organisations;
- because it allows us to attract support from organisations who are more able to support registered charities;
- because we will be able to reclaim Gift Aid from taxpayers’ subscriptions and donations, giving us more funds to spend on our work;
- because, as we get bigger, the Charity Commission’s requirements will help ensure we remain focussed on meeting the needs of our members; and
- because it will bring some of the benefits of being a company without the associated burdens.

Many other “Friends” type groups have gone down this path before us (including the Streatham Common Community Garden) and have become stronger as a result.

Why have the Trustees decided on the Charitable Incorporated Organisation (CIO) ‘Association’ model?

The CIO is a recently introduced (in January 2014 for charities like ours, although larger charities have been able to register earlier) legal structure created specifically for charities that provides the benefits of a company, while keeping administration simple. See <http://www.theguardian.com/voluntary-sector-network/2013/jan/21/register-charitable-incorporated-organisation> for more information.

Two constitutional models are available: ‘Association’ and ‘Foundation’. In the Foundation model, only the Trustees of the charity vote in meetings and decide on the activities of the charity. In the Association model, the wider membership have voting rights as well. As we want members to engage with the work and direction of FoSC, with regular exchanges between the Trustees and the Members, we have chosen the Association model and have written a new constitution for approval by the Charity Commission and our members. See <http://www.gannons.co.uk/blog/charitable-incorporated-organisations-cios> for more information.

What will change?

Hopefully very little. We will continue to run the same programme of activities and events that we have in previous years, but as a registered charity, the Trustees have a legal responsibility to ensure that FoSC is run solely for charitable purposes and in accordance with its approved constitution. We also have to be a little more “professional” about managing FoSC – details are in the Trustees section, below.

What will the structure of the new CIO be?

Trustees. Between three and twelve (currently eight) people who have taken on the legal responsibility for directing the affairs of FoSC and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it was set up. Trustees will be elected at the Annual General Meeting (AGM) for a three year term, with one-third retiring before the AGM each year. Our constitution requires that trustees cannot serve more than three consecutive terms.

The Trustees may set up committees (each including at least one trustee) to help in aspects of running of FoSC, the most important of which is the Executive Committee. Although all the current trustees are also members of FoSC, it’s possible to have a non-member as a trustee, but they would not be able to sit on the Executive Committee.

Executive Committee. Between eight and twenty-one (currently fifteen) people who manage the general running of FoSC. All Executive Committee members are required to be members of FoSC. Executive Committee members are elected at the AGM for a one year term, with all retiring before the AGM each year. There are a number of specific offices on the Executive Committee, as well as ordinary Committee Members. Our by-laws state that a person cannot hold a single Executive Committee office for more than three consecutive terms, nor hold any combination of offices for more than five consecutive terms.

Members. As FoSC has grown over the years from a small group to more than 300 members, a number of different membership types have evolved without clear definitions. As we are now required to hold and keep up to date a register of members and use it to ensure that our General Meetings are legally conducted, we've taken the opportunity to clarify the various membership types, which are detailed below in "Why are new Membership Types being introduced and what are they?".

What do the changes mean for the Trustees?

The Trustees will have to clarify and write down more of the rules by which the FoSC is run. For instance, when FoSC are approached about an event – anything from the "Big Draw" to car boot sales on the Common – the Executive Committee decide whether or not it's an appropriate event to support. We currently don't have a written policy for deciding what events to support – we just do what we feel is in the best interests of our members at the time. Now we will have to agree and write down the criteria we use in making these sorts of decisions. The criteria will be available for all our members to see and comment upon, so we will be more accountable to our members for the activities of the charity.

We also have a greater responsibility to define the various types of members and the voting rights each will have at our General Meetings and manage our membership records in accordance with best practice.

In a membership charity, like ours, there is an added complexity because decisions are shared between the trustees and the members. Disputes and disagreements between trustees and within the membership can be costly and time consuming, and a diversion of charitable resources. The Charity Commission's case work experience shows that underlying many governance problems is an inadequate governing document and a lack of clear governance procedures relating to managing members. Trustees should put a series of procedural documents in place to fill in details which cannot practically be contained within the governing document, with particular attention to the rules and practices relating to membership.

So there is quite a bit of work to document how we've been running FoSC, but once that's done we should have a strong framework and be less dependent upon individuals and the experience they have – although all involved remain committed to working with FoSC.

What do the changes mean for the Members?

We need to ensure that our register of members is up to date and accurate, so we will be in contact with everyone shortly to give you the opportunity to check the details we currently hold and allow you to choose the appropriate membership type.

If you are a taxpayer, and you would like us to claim back as Gift Aid the tax you have paid on your subscription and any donations, we will need to collect some details from you and record your agreement that we can do this.

We encourage you to play as active a part as you can in the FoSC, including at the General Meetings, but to keep administration costs to a minimum we will ask you if are happy to receive official communications, such as details of the General Meetings, by email – you will always have the right to request paper copies of anything we email you.

According to the Charity Commission, charity members should:

- *ensure that the charity clearly explains what the membership role entails, including the rights and responsibilities which accompany the role;*
- *exercise their right to vote in the interests of the charity for which they are a member; and*
- *abide by decisions that are taken fairly and within the rules of the charity.*

And members of charities were seen to:

- *keep the charity's trustee board up to date with the needs of beneficiaries, providing feedback and diverse opinions;*
- *keep the trustee board fresh and accountable, and help ensure probity and transparency;*
- *improve the charity's ability to influence the social or political environment in which the charity operated;*
- *act as a pool of volunteers and potential trustees;*
- *provide fundraising opportunities;*
- *give their time and commitment to the aims of the organisation; and*
- *help to raise the profile of the charity.*

Why are new Membership Types being introduced and what are they?

Although a member may support the aims of FoSC and be active in many ways, the governance of the charity can sometimes be of less interest or be inconvenient to attend. While we encourage all our members to play an active role in the governance of FoSC and attend and vote at the General Meetings of Members, we recognise that this may not always be possible. We are therefore introducing two changes:

- i. proxy voting, to allow those who are unable to attend the General Meetings in person to vote; and
- ii. a two-tiered membership structure of Ordinary (voting) and Associate (non-voting) members.

See <http://forms.charitycommission.gov.uk/media/95433/rs7text.pdf> for the Charity Commission's views and recommendations in these areas, which we are following.

We have also taken the opportunity of introducing the Associate member concept, and clarifying and expanding the range of different membership types we offer. Whatever type of membership suits you best, we **all** remain **Friends** of Streatham Common.

Proxy Voting

Before each General Meeting, along with the calling notice, a proxy notice will be distributed. If you wish to play a part in the governance of the FoSC, but are unable to attend the meeting, you will be able to appoint a proxy – either someone you choose, or the Chair of the meeting – to cast your vote for you. You will be able to indicate how you wish to vote, or leave it up to your proxy to cast your vote at their discretion. We will also consider introducing postal voting, or voting by email, if there is sufficient demand from the members. If you don't wish to be involved in this level of administration, you can elect to become an Associate (non-voting) member (see below).

Ordinary and Associate memberships

With the exception of Complimentary memberships, which are always Associate memberships, memberships can either be Ordinary (voting) or Associate (non-voting) memberships.

All memberships will start as Ordinary memberships, but members can elect to become Associate members. Once a year, all members will be given the opportunity to review their membership type and change it for the following year. A member who has elected to become an Associate can elect to become an Ordinary member again at any time by notifying the membership secretary before the opening of any meeting at which the member wishes to vote.

Ordinary members will have similar rights and obligations under the new CIO constitution as under the existing constitution.

Members who have elected to become Associate members, or who are in receipt of a Complimentary membership, will remain fully involved as Friends of Streatham Common, but may not vote in General Meetings and do not qualify as members for any purpose under the Charities Acts, General Regulations or Dissolution Regulations.

We encourage all paying members to register other members of their household as Associate members, at no extra charge, as this gives a truer picture of the size of the community involved with the FoSC.

Membership Types

The Trustees have decided upon the membership types listed below, with the 2016 subscription rate.

Membership Type	Ordinary Members	Associate Members	2016 subscription rate
Individual	1 named person	Yes	£6.00
Family	2 named people	Yes	£12.00
Concession	1 named person	Yes	£2.40
Concession Family	2 named people	Yes	£4.80
Organisational	1 named representative	No	£12.00
Complimentary	No	1 named associate	-

Individual Members (Unchanged) – the first named member has one vote if they elect to remain an Ordinary member.

Family Members (Unchanged) – the first two named members each have one vote if they have elected to remain Ordinary members.

Concession Members (Unchanged) – the first named member has one vote if they elect to remain an Ordinary member. Concessions are given for senior citizens, unwaged and full-time students.

Concession Family Members (New) – the first two named members each have one vote if they have elected to remain Ordinary members. Introduced as there was no equivalent of a Family membership for older households. Concessions are given for senior citizens, unwaged and full-time students.

Organisational Members (Unchanged) – a number of local organisations or businesses wish to support FoSC and are permitted to join as Organisational Members. The organisation appoints a named person as the point of contact and, if the organisation elects to remain an Ordinary member, cast their vote. The representative of an Organisation (Ordinary member) is bound by the same fiduciary requirements as other Ordinary members to act and vote in the interests of the FoSC's beneficiaries, and their voice has no greater weight than any other member's.

Complimentary Members (Unchanged) – a limited number (a maximum of 5% of the membership) of Complimentary Associate memberships can be awarded at the discretion of the Trustees. These may be to individuals or organisations we have an interest in working with – the Park Rangers previously had Complimentary memberships, and the Police Community Support Officer of the Safer Neighbourhoods Team currently receives one. Complimentary memberships will be reviewed by the Trustees each year. Complimentary memberships can also be awarded to non-members as competition or raffle prizes to encourage non-members to get involved and re-join in subsequent years as paying members. Complimentary memberships are always Associate members and so have no voting rights.

Any more Questions?

If you have any other questions, or want to find out more, please leave a message on 020 8679 4203 or email membership@streathamcommon.org and we will get back to you.