

Constitution of a Charitable Incorporated Organisation whose only voting members are its charity trustees

(‘Foundation’ model constitution)

Date of constitution (last amended):

The 5th day of April 2018

1. Name

The name of the Charitable Incorporated Organisation (“the CIO”) is:

3 Million Steps

2. National location of principal office

The CIO must have a principal office in England or Wales. The principal office of the CIO is in England.

3. Objects

The objects of the CIO are:

To preserve the health of, and to promote the rehabilitation of people with acquired brain injuries through participation in, or enabling, rehabilitation activities, thus preparing for integration back into work and social environments.

Nothing in this constitution shall authorise an application of the property of the CIO for the purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and section 2 of the Charities Act (Northern Ireland) 2008.

4. Powers

The CIO has power to do anything which is calculated to further its object[s] or is conducive or incidental to doing so. In particular, the CIO has power to:

- (1) borrow money and to charge the whole or any part of its property as security for the repayment of the money borrowed. The CIO must comply as appropriate with sections 124 and 125 of the Charities Act 2011, if it wishes to mortgage land;
- (2) buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
- (3) sell, lease or otherwise dispose of all or any part of the property belonging to the CIO. In exercising this power, the CIO must comply as appropriate with sections 117 and 119-123 of the Charities Act 2011;
- (4) employ and remunerate such staff as are necessary for carrying out the work of the CIO. The CIO may employ or remunerate a charity trustee only to the extent that it is permitted to do so by clause 6 (Benefits and payments to charity trustees and connected persons) and provided it complies with the conditions of that clause;
- (5) deposit or invest funds, employ a professional fund-manager, and arrange for the investments or other property of the CIO to be held in the name of a nominee, in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000.

5. Application of income and property

- (1) The income and property of the CIO must be applied solely towards the promotion of the objects.
 - (a) A charity trustee is entitled to be reimbursed from the property of the CIO or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the CIO.
 - (b) A charity trustee may benefit from trustee indemnity insurance cover purchased at the CIO’s expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.

(2) None of the income or property of the CIO may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any member of the CIO.

(3) Nothing in this clause shall prevent a charity trustee or connected person receiving any benefit or payment which is authorised by Clause 6.

6. Benefits and payments to charity trustees and connected persons

(1) General provisions

No charity trustee or connected person may:

- (a) buy or receive any goods or services from the CIO on terms preferential to those applicable to members of the public;
- (b) sell goods, services, or any interest in land to the CIO;
- (c) be employed by, or receive any remuneration from, the CIO;
- (d) receive any other financial benefit from the CIO;

unless the payment or benefit is permitted by sub-clause (2) of this clause or authorised by the court or the prior written consent of the Charity Commission ("the Commission") has been obtained. In this clause, a "financial benefit" means a benefit, direct or indirect, which is either money or has a monetary value.

(2) Scope and powers permitting trustees' or connected persons' benefits

- (a) A charity trustee or connected person may receive a benefit from the CIO as a beneficiary of the CIO provided that a majority of the trustees do not benefit in this way.
- (b) A charity trustee or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the CIO where that is permitted in accordance with, and subject to the conditions in, sections 185 to 188 of the Charities Act 2011.
- (c) Subject to sub-clause (3) of this clause a charity trustee or connected person may provide the CIO with goods that are not supplied in connection with services provided to the CIO by the charity trustee or connected person.
- (d) A charity trustee or connected person may receive interest on money lent to the CIO at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).
- (e) A charity trustee or connected person may receive rent for premises let by the trustee or connected person to the CIO. The amount of the rent and the other terms of the lease must be reasonable and proper. The charity trustee concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (f) A charity trustee or connected person may take part in the normal trading and fundraising activities of the CIO on the same terms as members of the public.

(3) Payment for supply of goods only – controls

The CIO and its charity trustees may only rely upon the authority provided by sub-clause (2)(c) of this clause if each of the following conditions is satisfied:

- (a) The amount or maximum amount of the payment for the goods is set out in a written agreement between the CIO and the charity trustee or connected person supplying the goods ("the supplier").
- (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.
- (c) The other charity trustees are satisfied that it is in the best interests of the CIO to contract with the supplier rather than with someone who is not a charity trustee or connected person. In reaching that decision the charity trustees must balance the advantage of contracting with a charity trustee or connected person against the disadvantages of doing so.
- (d) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the CIO.

- (e) The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of charity trustees is present at the meeting.
 - (f) The reason for their decision is recorded by the charity trustees in the minute book.
 - (g) A majority of the charity trustees then in office are not in receipt of remuneration or payments authorised by clause 6.
- (4) In sub-clauses (2) and (3) of this clause:
- (a) “the CIO” includes any company in which the CIO:
 - (i) holds more than 50% of the shares; or
 - (ii) controls more than 50% of the voting rights attached to the shares; or
 - (iii) has the right to appoint one or more directors to the board of the company;
 - (b) “connected person” includes any person within the definition set out in clause [30] (Interpretation);

7. Conflicts of interest and conflicts of loyalty

A charity trustee must:

- (1) declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the CIO or in any transaction or arrangement entered into by the CIO which has not previously been declared; and
- (2) absent himself or herself from any discussions of the charity trustees in which it is possible that a conflict of interest will arise between his or her duty to act solely in the interests of the CIO and any personal interest (including but not limited to any financial interest).

Any charity trustee absenting himself or herself from any discussions in accordance with this clause must not vote or be counted as part of the quorum in any decision of the charity trustees on the matter.

8. Liability of members to contribute to the assets of the CIO if it is wound up

If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

9. Charity trustees

(1) Functions and duties of charity trustees

The charity trustees shall manage the affairs of the CIO and may for that purpose exercise all the powers of the CIO. It is the duty of each charity trustee:

- (a) to exercise his or her powers and to perform his or her functions in his or her capacity as a trustee of the CIO in the way he or she decides in good faith would be most likely to further the purposes of the CIO; and
- (b) to exercise, in the performance of those functions, such care and skill as is reasonable in the circumstances having regard in particular to:
 - (i) any special knowledge or experience that he or she has or holds himself or herself out as having; and,
 - (ii) if he or she acts as a charity trustee of the CIO in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.

(2) Eligibility for trusteeship

- (a) Every charity trustee must be a natural person.
- (b) No individual may be appointed as a charity trustee of the CIO:
 - if he or she is under the age of 16 years; or
 - if he or she would automatically cease to hold office under the provisions of clause 12(1)(e).

(c) No one is entitled to act as a charity trustee whether on appointment or on any re-appointment until he or she has expressly acknowledged, in whatever way the charity trustees decide, his or her acceptance of the office of charity trustee.

(d) At least one of the trustees of the CIO must be 18 years of age or over. If there is no trustee aged at least 18 years, the remaining trustees may only act to call a meeting of the charity trustees, or appoint a new charity trustee.

(3) Number of charity trustees

(a) There must be at least three charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees, or appoint a new charity trustee.

(b) The maximum number of charity trustees is 12. The charity trustees may not appoint any charity trustee if as a result the number of charity trustees would exceed the maximum.

(4) First charity trustees

The first charity trustees are as follows, and are appointed for the following terms –

Peter Dyer for 4 years

Ian Brown for 3 years

Zara Dyer for 2 years

James Fisher for 2 years

Kate Inglis for 2 years

10. Appointment of charity trustees

Option 1

(1) Apart from the first charity trustees, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

(2) In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

11. Information for new charity trustees

The charity trustees will make available to each new charity trustee, on or before his or her first appointment:

(a) a copy of the current version of this constitution; and

(b) a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

12. Retirement and removal of charity trustees

(1) A charity trustee ceases to hold office if he or she:

(a) retires by notifying the CIO in writing (but only if enough charity trustees will remain in office when the notice of resignation takes effect to form a quorum for meetings);

(b) is absent without the permission of the charity trustees from all their meetings held within a period of six months and the trustees resolve that his or her office be vacated;

(c) dies;

(d) in the written opinion, given to the company, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a director and may remain so for more than three months;

(e) is disqualified from acting as a charity trustee by virtue of sections 178-180 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision).

(2) Any person retiring as a charity trustee is eligible for reappointment.

[(3) A charity trustee who has served for [three] consecutive terms may not be reappointed for a [fourth] consecutive term but may be reappointed after an interval of at least [one year].]

13. Taking of decisions by charity trustees

Any decision may be taken either:

at a meeting of the charity trustees; or

by resolution in writing [or electronic form] agreed by a majority of all of the charity trustees, which may comprise either a single document or several documents containing the text of the resolution in like form to which the majority of all of the charity trustees has signified their agreement. Such a resolution shall be effective provided that a copy of the proposed resolution has been sent, at or as near as reasonably practicable to the same time, to all of the charity trustees; and

the majority of all of the charity trustees has signified agreement to the resolution in a document or documents which has or have been authenticated by their signature, by a statement of their identity accompanying the document or documents, or in such other manner as the charity trustees have previously resolved, and delivered to the CIO at its principal office or such other place as the trustees may resolve within 28 days of the circulation date.

14. Delegation by charity trustees

(1) The charity trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they shall determine the terms and conditions on which the delegation is made. The charity trustees may at any time alter those terms and conditions, or revoke the delegation.

(2) This power is in addition to the power of delegation in the General Regulations and any other power of delegation available to the charity trustees, but is subject to the following requirements:

(a) a committee may consist of two or more persons, but at least one member of each committee must be a charity trustee;

(b) the acts and proceedings of any committee must be brought to the attention of the charity trustees as a whole as soon as is reasonably practicable; and

(c) the charity trustees shall from time to time review the arrangements which they have made for the delegation of their powers.

15. Meetings of charity trustees

(1) Calling meetings

(a) Any charity trustee may call a meeting of the charity trustees.

(b) Subject to that, the charity trustees shall decide how their meetings are to be called, and what notice is required.

(2) Chairing of meetings

The charity trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. If no-one has been so appointed, or if the person appointed is unwilling to preside or is not present within 10 minutes after the time of the meeting, the charity trustees present may appoint one of their number to chair that meeting.

(3) Procedure at meetings

(a) No decision shall be taken at a meeting unless a quorum is present at the time when the decision is taken. The quorum is two charity trustees, or the number nearest to one third of the total number of charity trustees, whichever is greater, or such larger number as the charity trustees may decide from time to time. A charity trustee shall not be counted in the quorum present when any decision is made about a matter upon which he or she is not entitled to vote.

(b) Questions arising at a meeting shall be decided by a majority of those eligible to vote.

(c) In the case of an equality of votes, the person who chairs the meeting shall have a second or casting vote.

(4) Participation in meetings by electronic means

(a) A meeting may be held by suitable electronic means agreed by the charity trustees in which each participant may communicate with all the other participants.

(b) Any charity trustee participating at a meeting by suitable electronic means agreed by the charity trustees in which a participant or participants may communicate with all the other participants shall qualify as being present at the meeting.

(c) Meetings held by electronic means must comply with rules for meetings, including chairing and the taking of minutes.

16. Membership of the CIO

(1) The members of the CIO shall be its charity trustees for the time being. The only persons eligible to be members of the CIO are its charity trustees. Membership of the CIO cannot be transferred to anyone else.

(2) Any member and charity trustee who ceases to be a charity trustee automatically ceases to be a member of the CIO.

17. Informal or associate (non-voting) membership

(1) The charity trustees may create associate or other classes of non-voting membership, and may determine the rights and obligations of any such members (including payment of membership fees), and the conditions for admission to, and termination of membership of any such class of members.

(2) Other references in this constitution to “members” and “membership” do not apply to non-voting members, and non-voting members do not qualify as members for any purpose under the Charities Acts, General Regulations or Dissolution Regulations.

18. Decisions which must be made by the members of the CIO

(1) Any decision to:

(a) amend the constitution of the CIO;

(b) amalgamate the CIO with, or transfer its undertaking to, one or more other CIOs, in accordance with the Charities Act 2011; or

(c) wind up or dissolve the CIO (including transferring its business to any other charity)

must be made by a resolution of the members of the CIO (rather than a resolution of the charity trustees).

(2) Decisions of the members may be made either:

(a) by resolution at a general meeting; or

(b) by resolution in writing, in accordance with sub-clause (4) of this clause.

(3) Any decision specified in sub-clause (1) of this clause must be made in accordance with the provisions of clause 28 (amendment of constitution), clause 29 (Voluntary winding up or dissolution), or the provisions of the Charities Act 2011, the General Regulations or the Dissolution Regulations as applicable. Those provisions require the resolution to be agreed by a 75% majority of those members voting at a general meeting, or agreed by all members in writing.

(4) Except where a resolution in writing must be agreed by all the members, such a resolution may be agreed by a simple majority of all the members who are entitled to vote on it. Such a resolution shall be effective provided that:

(a) a copy of the proposed resolution has been sent to all the members eligible to vote; and

(b) the required majority of members has signified its agreement to the resolution in a document or documents which are received at the principal office within the period of 28 days beginning with the circulation date. The document signifying a member's agreement must be authenticated by their signature, by a statement of their identity accompanying the document, or in such other manner as the CIO has specified.

The resolution in writing may comprise several copies to which one or more members has signified their agreement. Eligibility to vote on the resolution is limited to members who are members of the CIO on the date when the proposal is first circulated.

19. General meetings of members

(1) Calling of general meetings of members

The charity trustees may designate any of their meetings as a general meeting of the members of the CIO. The purpose of such a meeting is to discharge any business which must by law be discharged by a resolution of the members of the CIO as specified in clause [18] (Decisions which must be made by the members of the CIO).

(2) Notice of general meetings of members

(a) The minimum period of notice required to hold a general meeting of the members of the CIO is [14] days.

(b) Except where a specified period of notice is strictly required by another clause in this constitution, by the Charities Act 2011 or by the General Regulations, a general meeting may be called by shorter notice if it is so agreed by a majority of the members of the CIO.

(c) Proof that an envelope containing a notice was properly addressed, prepaid and posted; or that an electronic form of notice was properly addressed and sent, shall be conclusive evidence that the notice was given. Notice shall be deemed to be given 48 hours after it was posted or sent.

(3) Procedure at general meetings of members

The provisions in clause 15 (2)-(4) governing the chairing of meetings, procedure at meetings and participation in meetings by electronic means apply to any general meeting of the members, with all references to trustees to be taken as references to members.

20. Saving provisions

(1) Subject to sub-clause (2) of this clause, all decisions of the charity trustees, or of a committee of charity trustees, shall be valid notwithstanding the participation in any vote of a charity trustee:

- who was disqualified from holding office;
- who had previously retired or who had been obliged by the constitution to vacate office;
- who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise;

if, without the vote of that charity trustee and that charity trustee being counted in the quorum, the decision has been made by a majority of the charity trustees at a quorate meeting.

(2) Sub-clause (1) of this clause does not permit a charity trustee to keep any benefit that may be conferred upon him or her by a resolution of the charity trustees or of a committee of charity trustees if, but for sub-clause (1), the resolution would have been void, or if the charity trustee has not complied with clause 7 (Conflicts of interest).

21. Execution of documents

(1) The CIO shall execute documents either by signature or by affixing its seal (if it has one)

(2) A document is validly executed by signature if it is signed by at least two of the charity trustees.

(3) If the CIO has a seal:

(a) it must comply with the provisions of the General Regulations; and

(b) the seal must only be used by the authority of the charity trustees or of a committee of charity trustees duly authorised by the charity trustees. The charity trustees may determine who shall sign any document to which the seal is affixed and unless otherwise so determined it shall be signed by two charity trustees.

22. Use of electronic communications

(1) General

The CIO will comply with the requirements of the Communications Provisions in the General Regulations and in particular:

- (a) the requirement to provide within 21 days to any member on request a hard copy of any document or information sent to the member otherwise than in hard copy form;
- (b) any requirements to provide information to the Commission in a particular form or manner.

23. Keeping of Registers

The CIO must comply with its obligations under the General Regulations in relation to the keeping of, and provision of access to, a (combined) register of its members and charity trustees.

24. Minutes

The charity trustees must keep minutes of all:

- (1) appointments of officers made by the charity trustees;
- (2) proceedings at general meetings of the CIO;
- (3) meetings of the charity trustees and committees of charity trustees including:
 - the names of the trustees present at the meeting;
 - the decisions made at the meetings; and
 - where appropriate the reasons for the decisions;
- (4) decisions made by the charity trustees otherwise than in meetings.

25. Accounting records, accounts, annual reports and returns, register maintenance

(1) The charity trustees must comply with the requirements of the Charities Act 2011 with regard to the keeping of accounting records, to the preparation and scrutiny of statements of account, and to the preparation of annual reports and returns. The statements of account, reports and returns must be sent to the Charity Commission, regardless of the income of the CIO, within 10 months of the financial year end.

(2) The charity trustees must comply with their obligation to inform the Commission within 28 days of any change in the particulars of the CIO entered on the Central Register of Charities.

26. Rules

The charity trustees may from time to time make such reasonable and proper rules or byelaws as they may deem necessary or expedient for the proper conduct and management of the CIO, but such rules or bye laws must not be inconsistent with any provision of this constitution. Copies of any such rules or bye laws currently in force must be made available to any member of the CIO on request.

27. Disputes

If a dispute arises between members of the CIO about the validity or propriety of anything done by the members under this constitution, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

28. Amendment of constitution

As provided by sections 224-227 of the Charities Act 2011:

- (1) This constitution can only be amended:
 - (a) by resolution agreed in writing by all members of the CIO; or
 - (b) 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 19 (General meetings of members).
- (2) Any alteration of clause 3 (Objects), clause [29] (Voluntary winding up or dissolution), this clause, or of any provision where the alteration would provide authorisation for any benefit to be obtained by charity trustees or members of the CIO or persons connected with them, requires the prior written consent of the Charity Commission.

(3) No amendment that is inconsistent with the provisions of the Charities Act 2011 or the General Regulations shall be valid.

(4) A copy of every resolution amending the constitution, together with a copy of the CIO's constitution as amended must be sent to the Commission by the end of the period of 15 days beginning with the date of passing of the resolution, and the amendment does not take effect until it has been recorded in the Register of Charities.

29. Voluntary winding up or dissolution

(1) As provided by the Dissolution Regulations, the CIO may be dissolved by resolution of its members. Any decision by the members to wind up or dissolve the CIO can only be made:

(a) at a general meeting of the members of the CIO called in accordance with clause 19 (General meetings of members), of which not less than 14 days' notice has been given to those eligible to attend and vote:

(i) by a resolution passed by a 75% majority of those voting, or

(ii) by a resolution passed by decision taken without a vote and without any expression of dissent in response to the question put to the general meeting; or

(b) by a resolution agreed in writing by all members of the CIO.

(2) Subject to the payment of all the CIO's debts:

(a) Any resolution for the winding up of the CIO, or for the dissolution of the CIO without winding up, may contain a provision directing how any remaining assets of the CIO shall be applied.

(b) If the resolution does not contain such a provision, the charity trustees must decide how any remaining assets of the CIO shall be applied.

(c) In either case the remaining assets must be applied for charitable purposes the same as or similar to those of the CIO.

(3) The CIO must observe the requirements of the Dissolution Regulations in applying to the Commission for the CIO to be removed from the Register of Charities, and in particular:

(a) the charity trustees must send with their application to the Commission:

(i) a copy of the resolution passed by the members of the CIO;

(ii) a declaration by the charity trustees that any debts and other liabilities of the CIO have been settled or otherwise provided for in full; and

(iii) a statement by the charity trustees setting out the way in which any property of the CIO has been or is to be applied prior to its dissolution in accordance with this constitution;

(b) the charity trustees must ensure that a copy of the application is sent within seven days to every member and employee of the CIO, and to any charity trustee of the CIO who was not privy to the application.

(4) If the CIO is to be wound up or dissolved in any other circumstances, the provisions of the Dissolution Regulations must be followed.

30. Interpretation

In this constitution:

"connected person" means:

(a) a child, parent, grandchild, grandparent, brother or sister of the charity trustee;

(b) the spouse or civil partner of the charity trustee or of any person falling within sub-clause (a) above;

(c) a person carrying on business in partnership with the charity trustee or with any person falling within sub-clause (a) or (b) above;

(d) an institution which is controlled –

(i) by the charity trustee or any connected person falling within sub-clause (a), (b), or (c) above; or

- (ii) by two or more persons falling within sub-clause (d)(i), when taken together
- (e) a body corporate in which –
 - (i) the charity trustee or any connected person falling within sub-clauses (a) to (c) has a substantial interest; or
 - (ii) two or more persons falling within sub-clause (e)(i) who, when taken together, have a substantial interest.

Section 118 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this constitution.

“General Regulations” means the Charitable Incorporated Organisations (General) Regulations 2012.

“Dissolution Regulations” means the Charitable Incorporated Organisations (Insolvency and Dissolution) Regulations 2012.

The **“Communications Provisions”** means the Communications Provisions in [Part 10, Chapter 4] of the General Regulations.

“charity trustee” means a charity trustee of the CIO.

A **“poll”** means a counted vote or ballot, usually (but not necessarily) in writing.

Appendix

The following provisions do not form part of the 'Foundation' model constitution but are available as options under clauses 19 (General meetings of members) and 22 (Use of electronic communications). For CIOs intending to include these powers in their constitutions, we recommend that you use the following wording. Notes on these clauses are included with the explanatory notes accompanying the clauses in the model.

General meetings of members

(4) Proxy voting

(a) Any member of the CIO may appoint another person as a proxy to exercise all or any of that member's rights to attend, speak and vote at a general meeting of the CIO. Proxies must be appointed by a notice in writing (a "proxy notice") which:

- (i) states the name and address of the member appointing the proxy;
- (ii) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
- (iii) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the CIO may determine; and
- (iv) is delivered to the CIO in accordance with the constitution and any instructions contained in the notice of the general meeting to which they relate.

(b) The CIO may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

(c) Proxy notices may (but do not have to) specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(d) Unless a proxy notice indicates otherwise, it must be treated as:

- (i) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- (ii) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

(e) A member who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the CIO by or on behalf of that member.

(f) An appointment under a proxy notice may be revoked by delivering to the CIO a notice in writing given by or on behalf of the member by whom or on whose behalf the proxy notice was given.

(g) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(h) If a proxy notice is not signed or authenticated by the member appointing the proxy, it must be accompanied by written evidence that the person who signed or authenticated it on that member's behalf had authority to do so.

(5) Postal Voting

(a) The CIO may, if the charity trustees so decide, allow the members to vote by post or electronic mail ("email") to elect charity trustees or to make a decision on any matter that is being decided at a general meeting of the members.

(b) The charity trustees must appoint at least two persons independent of the CIO to serve as scrutineers to supervise the conduct of the postal/email ballot and the counting of votes.

(c) If postal and/or email voting is to be allowed on a matter, the CIO must send to members of the CIO not less than [21] days before the deadline for receipt of votes cast in this way:

- (i) a notice by email, if the member has agreed to receive notices in this way under clause [21] (Use of electronic communication, including an explanation of the purpose of the

vote and the voting procedure to be followed by the member, and a voting form capable of being returned by email or post to the CIO, containing details of the resolution being put to a vote, or of the candidates for election, as applicable;

(ii) a notice by post to all other members, including a written explanation of the purpose of the postal vote and the voting procedure to be followed by the member; and a postal voting form containing details of the resolution being put to a vote, or of the candidates for election, as applicable.

(d) The voting procedure must require all forms returned by post to be in an envelope with the member's name and signature, and nothing else, on the outside, inside another envelope addressed to 'The Scrutineers for [name of CIO]', at the CIO's principal office or such other postal address as is specified in the voting procedure.

(e) The voting procedure for votes cast by email must require the member's name to be at the top of the email, and the email must be authenticated in the manner specified in the voting procedure.

(f) Email votes must be returned to an email address used only for this purpose and must be accessed only by a scrutineer.

(g) The voting procedure must specify the closing date and time for receipt of votes, and must state that any votes received after the closing date or not complying with the voting procedure will be invalid and not be counted.

(h) The scrutineers must make a list of names of members casting valid votes, and a separate list of members casting votes which were invalid. These lists must be provided to a charity trustee or other person overseeing admission to, and voting at, the general meeting. A member who has cast a valid postal or email vote must not vote at the meeting, and must not be counted in the quorum for any part of the meeting on which he, she or it has already cast a valid vote. A member who has cast an invalid vote by post or email is allowed to vote at the meeting and counts towards the quorum.

(i) For postal votes, the scrutineers must retain the internal envelopes (with the member's name and signature). For email votes, the scrutineers must cut off and retain any part of the email that includes the member's name. In each case, a scrutineer must record on this evidence of the member's name that the vote has been counted, or if the vote has been declared invalid, the reason for such declaration.

(j) Votes cast by post or email must be counted by all the scrutineers before the meeting at which the vote is to be taken. The scrutineers must provide to the person chairing the meeting written confirmation of the number of valid votes received by post and email and the number of votes received which were invalid.

(k) The scrutineers must not disclose the result of the postal/email ballot until after votes taken by hand or by poll at the meeting, or by poll after the meeting, have been counted. Only at this point shall the scrutineers declare the result of the valid votes received, and these votes shall be included in the declaration of the result of the vote.

(l) Following the final declaration of the result of the vote, the scrutineers must provide to a charity trustee or other authorised person bundles containing the evidence of members submitting valid postal votes; evidence of members submitting valid email votes; evidence of invalid votes; the valid votes; and the invalid votes.

(m) Any dispute about the conduct of a postal or email ballot must be referred initially to a panel set up by the charity trustees, to consist of two trustees and two persons independent of the CIO. If the dispute cannot be satisfactorily resolved by the panel, it must be referred to the Electoral Reform Services.

Use of electronic communications

(2) To the CIO

Any member or charity trustee of the CIO may communicate electronically with the CIO to an address specified by the CIO for the purpose, so long as the communication is authenticated in a manner which is satisfactory to the CIO.

(3) By the CIO

(a) Any member or charity trustee of the CIO, by providing the CIO with his or her email address or similar, is taken to have agreed to receive communications from the CIO in electronic form at that address, unless the member has indicated to the CIO his or her unwillingness to receive such communications in that form.

(b) The charity trustees may, subject to compliance with any legal requirements, by means of publication on its website:

(i) provide the members with the notice referred to in clause 19(2) (Notice of general meetings);

(ii) give charity trustees notice of their meetings in accordance with clause 15(1) (Calling meetings); [and

(iii) submit any proposal to the members or charity trustees for decision by written resolution or postal vote in accordance with the CIO's powers under clause 18 (Members' decisions), 18(4) (Decisions taken by resolution in writing), or [[the provisions for postal voting] (if you have included this optional provision, please insert the correct clause number here)].

(c) The charity trustees must –

(i) take reasonable steps to ensure that members and charity trustees are promptly notified of the publication of any such notice or proposal; and

(ii) send any such notice or proposal in hard copy form to any member or charity trustee who has not consented to receive communications in electronic form.

Guidance notes for Trustees on the suitability of applications for funding

Group 1: Professionally organised alternative methods	Information trustees must confirm to us
<p>Chiropractic (statutorily regulated) Osteopathy (statutorily regulated) Herbal medicine (voluntarily self-regulated) Acupuncture (voluntarily self-regulated) Homeopathy (voluntarily self-regulated) - efficacy questioned in 2010 but as yet no change to its position as a Group 1 therapy)</p> <p>Key features of Group 1 methods</p> <p>Professionally organised and regulated May be used as alternatives to conventional medical care (but may also be used to complement it)</p>	<p>The conditions the method is used to treat (ie charitable need being met)</p> <p>Practitioners are registered with the statutory or voluntary professional regulatory standard-setting body applicable to the method and adhere to its code of conduct and ethics, ie as below: Chiropractic - General Chiropractic Council (statutory regulatory body) Osteopathy - General Osteopathic Council (statutory regulatory body) Acupuncture - British Acupuncture Council (voluntary self-regulatory body) Homeopathy - The Society of Homeopaths (voluntary self-regulatory body) Herbal medicine* - National Institute of Medical Herbalists (voluntary self-regulatory body) *Note: Trustees must also confirm that herbal medicines used in treatments are registered with the Traditional Herbal Medicines Registration Scheme and comply with the standards of quality and safety established by the Scheme. Professional indemnity Insurance cover is in place to allow a patient who sues a practitioner to seek damages through the courts</p>

<p>May be used to diagnose and treat conditions efficacy of method has been recognised - generally little or no need for more evidence of efficacy if trustees' claims made are consistent with recognised areas of efficacy (but see Note for Herbal Medicine)</p>	<p>There are complaints and disciplinary procedures in place through which people can raise concerns and where unsatisfactory conduct or standards can be addressed</p> <p>See Section B6 for our approach when considering these methods</p>
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Group 2: Complementary methods	Information trustees must confirm to us
<p>Alexander Technique Aromatherapy Bach and other flowers remedies Body work therapies (including massage therapy)* Counselling stress therapy Healing (including spiritual healing)* Hypnotherapy* Maharashi Ayurvedic Medicine* Meditation* Nutritional therapy* Reflexology* Shiatsu* Yoga*</p> <p>Key features of Group 2 methods</p> <p>Those methods marked with an asterisk are registered with the Complementary and Natural Healthcare Council. (Others not yet registered should tell us how they are regulated) May be used to complement conventional medicine but are not intended to be used as an alternative May not be used to diagnose conditions</p>	<p>The conditions the method is to treat (as part of satisfying us that their claims are reasonable and consistent with the method's recognised efficacy)</p> <p>The method is provided to complement and not as an alternative to conventional medical care and beneficiaries understand this They do not use the method to diagnose conditions</p> <p>Practitioners: are, where applicable, registered with the Complementary and Natural Healthcare Council(CNHC) as the UK regulator for complementary healthcare practitioners and adhere to codes of conduct and ethics</p> <p>Note: For methods whose practitioners are not registered with the CNHC, we need to know how the risk of harm is otherwise managed. This may or not include regulation by an alternative body.</p> <p>See Sections B5 and B7 for our approach when considering these methods</p>

Notes for consideration.

B5 Evidence of efficacy of a CAM method and what we need to consider this

When assessing whether a CAM method as used by the applicant charity is capable of fulfilling the claims made for it, we look for objective, scientifically-based evidence that the method being used impacts beneficially on health according to those claims.

For some methods, efficacy has already been accepted. Where this is the case, the trustees don't need to provide us with detailed scientific evidence to support their application.

For example, an organisation aims to diagnose and relieve pain arising from musculo-skeletal problems using chiropractic and osteopathy. Chiropractic and osteopathy are methods recognised on the basis of medical science as being capable of doing that.

Caseworkers should seek advice from a mentor or legal officer if they are unsure whether there is sufficient evidence of the efficacy of the CAM in question.

See [B6](#) for our approach when considering CAM methods already recognised as being beneficial.

B5.1 Suitable forms of evidence

All claims made for the efficacy of a method must be substantiated with evidence. We recognise that not all forms of alternative or complementary treatment may lend themselves to conventional research methods. However, the evidence must be evidence that a court can recognise.

Examples of suitable evidence include;

- peer-reviewed research (ie research scrutinised by fellow professionals) in recognised medical journals, for example [The Lancet](#) or [BMJ](#)
- recognition by the Department of Health or other governmental health regulatory or health provision body.

Examples of evidence which is **not** sufficient to demonstrate efficacy include:

- testimonial or anecdotal evidence (see [B5.5](#))
- articles or features of a non-scientific nature promoting the method, treatment or therapy

Deciding whether evidence is sufficient in relation to the claims made is not always straightforward. Factors that can help include:

- the source of the evidence – is it sufficiently independent and authoritative?
- is the evidence accepted in academic or scientific circles? If not, can any differences of expert opinion be rationally explained?
- does the evidence fully address the claims made for the method?
- is the method recognised and/or supported by the Department of Health or other governmental health provision body?
- what is the method's relationship with conventional medicine?

We must be satisfied that, taken overall, the evidence is of the quality that would be accepted by a court or Tribunal as demonstrating benefit. For more guidance about how we evaluate evidence, see our [decision in relation to the Soteria Network](#), which shows how our approach is applied in practice.

Caseworkers should take legal advice if, based on the evidence provided, they are uncertain that sufficient evidence of efficacy has been provided.

B5.2 Evidence appropriate to circumstances

The evidence we require will depend on the claims made for the CAM. In particular, where a treatment or therapy claims to cure or diagnose (as opposed to providing relief for) a condition there is an inherent increased risk of harm to recipients. They may receive this diagnosis and treatment in place of conventional medical assessment and treatment of demonstrated clinical effectiveness. In these circumstances it is likely to require

particularly clear and compelling evidence of efficacy to demonstrate benefit which outweighs the potential harm.

The issue is most acute where a method is actually *offered* as a substitute for conventional treatment, particularly where it is claimed that the method is capable of diagnosing or curing the conditions in question.

Section [B7](#) explains our approach when assessing the risk of harm in relation to CAM.

In Annex A of the [Soteria Network decision](#) we illustrate our approach as follows:

An organisation claims to diagnose and cure all illnesses by offering treatment X. Charity Commission will want evidence to demonstrate it can diagnose and cure all illnesses

An organisation claims to cure a particular illness, for example addiction to substances. Charity Commission will want evidence to demonstrate that the particular treatment cures substance abuse.

An organisation claims to provide palliative relief for a particular illness by reducing stress and pain. Charity Commission will want evidence to demonstrate that the particular treatment does provide this palliative relief.

B5.3 Complementary or alternative?

Although we don't need the trustees in all cases to provide us with detailed evidence of efficacy of the method (see [B6](#) for when this is the case), we do *always* need them to tell us, for the reasons given in [B5.2](#), whether the method is being used as a complementary or alternative method.

B5.4 Finding the evidence

The onus is on the trustees to provide us with the necessary evidence that the method offered by the organisation is capable of delivering the claimed benefits. However, where helpful, we may also want to consider other sources of information. Examples include:

- the organisation's website or promotional material, as this can tell us how potential beneficiaries are advised that they will benefit from the method

- the website of [The Complementary and Natural Healthcare Council](#), which provides information about the methods it regulates and the medical conditions they are recognised as addressing

- the website of any membership body of which the organisation is a member, as this can show what measures there are to supervise and regulate the organisation in its delivery of the CAM method in question

B5.5 Testimonials and other anecdotal evidence

We cannot accept testimonials as evidence of a method's benefit because they lack the rigour needed for formal recognition.

None of the following are credible evidence of a method's benefits because they are all based on personal opinion and are not scrutinised by medical science:

- patients' testimonials
- testimonials of other practitioners of the method
- results of customer satisfaction surveys
- general (non-scientific) media articles endorsing the treatment
- results attributed to treatment where not part of a scientific trial

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B6 Methods already recognised as being beneficial

Where an applicant has demonstrated that it will adopt a particular recognised CAM method and it has already been recognised as beneficial to health we don't need to see the detailed scientific evidence of the efficacy of the method in order to decide if the purpose is for the public benefit. This is because recognition of the method will have been gained following robust and independent scrutiny of the available evidence. In these cases we can accept that the efficacy of the method has been demonstrated. See [B6.1](#), [B6.2](#) and [B6.3](#) for more about recognition of CAM methods and the information we need from organisations using these methods to achieve

their purposes.

For methods where efficacy has been accepted we still need to be satisfied, in line with the trustees' duty to operate the charity for the public benefit, that the organisation is capable of delivering the method safely and effectively. Key to this is how the method is regulated and the risk of harm managed. For more information about the risk of harm in relation to CAM, and how we assess this, see [B7](#).

B6.1 Beneficial methods regulated by statute

The law has already accepted the efficacy of some treatments and, where this is the case, we will not require further evidence.

Methods regulated by statute include:

osteopathy, regulated by the [General Osteopathic Council](#)

chiropractic, regulated by the [General Chiropractic Council](#)

For these CAM methods, we need to know that practitioners used to deliver treatments are registered with the statutory regulatory body and meet all the requirements of that body. See Group 1 of the [ready reference table](#) in B9 for more information about what the trustees need to confirm.

B6.2 Beneficial methods not regulated by statute

Organisations using methods not currently subject to statutory regulation, but which

have gained wide recognition through clinical trials and scientific medical research as being capable of delivering health benefits

and

are subject to voluntary self-regulation by a recognised body

need not provide detailed scientific evidence of the CAM's effectiveness. Where a method is subject to voluntary self-regulation, we can accept this on the same basis as one that is regulated in law.

Methods subject to voluntary self-regulation include:

Acupuncture, regulated by the [British Acupuncture Council](#)

Homeopathy, regulated by the [Society of Homeopaths](#)

Herbal medicine, regulated by the [National Institute of Medical Herbalists](#)

The trustees will need to show that practitioners used to deliver treatment are registered with the appropriate voluntary self-regulatory body for the method, and that they meet all the requirements of that body.

See Group 1 of the [ready reference table](#) in B9 for more information about what the trustees need to confirm where a method has gained recognition of efficacy and is self-regulated.

B6.3 Methods whose benefits have been previously accepted on evidence

We will not require detailed scientific evidence of efficacy where the method is one which we have previously accepted on the basis of evidence and law in respect of the particular benefits claimed. An example of this is the [Decision of the Commission 15 August 2002 in respect of the application to register NFSH Charitable Trust Limited \(1094702\)](#), where we recognised that spiritual healing is capable of giving palliative relief in a complementary setting.

In these cases the trustees will need to show how the method is regulated, and that practitioners are registered with, and meet all the requirements of, the regulatory body. For information about regulation of CAM, see [B8](#).

Caseworkers should seek legal advice if they are unsure about whether the method being promoted has previously been accepted as beneficial.

B7 The risk of harm and how this impacts on public benefit

When considering whether the purpose of an organisation which uses CAM to achieve its purposes is for the public benefit our approach is based on the law.

The law recognises that

treatments which have not been rigorously tested before being made available for use carry an increased risk of harm to those receiving them; and that

people who are ill may be willing to try (and pay for) treatments in the hope of a cure and may

experience harm as a result

Public benefit will be affected if the potential for people to experience harm from a CAM method outweighs the benefits that can be gained. To satisfy the public benefit requirement, therefore, an organisation using CAM to achieve its purposes must be able to show that any risk of harm has been minimised or reduced so that the harm does not outweigh the benefits.

The main risks associated with CAM are:

- poorly administered, a CAM method could cause physical or psychological harm
- CAM has the potential to exploit people who, because of their condition, are especially vulnerable
- using CAM as an alternative to conventional medicine may mean that people who need a medical diagnosis and treatment do not get it

See [B7.2](#) for further information on the evidence that trustees must provide to deal with these harm factors.

B7.1 Assessing the risk of harm

When considering harm factors in relation to CAM, what we are looking for is evidence that any potential for harm is minimised or reduced so that the harm does not outweigh the benefit. The greater the risk, the more compelling the evidence will need to be that those risks will not outweigh the benefits.

The risk of harm will be greater where:

- methods claim to cure, or diagnose conditions
- treatment is offered as an alternative to conventional medicine
- the way the treatment is administered means those receiving it could be vulnerable to harm or abuse
- there is little or no formal regulation and/or supervision of practitioners carrying out the method to ensure it is delivered safely

The risk will be reduced where:

- The method offers relief from a condition but does not claim to cure or diagnose it
- Treatment is offered alongside but not instead of conventional medicine (and people receiving the treatment are told that they are receiving it on that basis)
- Treatment is non-invasive
- Treatment does not require recipients to remove clothing or make themselves vulnerable in other ways
- Practitioners are required to register with a single regulatory body and adhere to defined professional standards when administering the treatment
- Regulation includes formal complaints and grievance procedures for when standards are not met
- Practitioners have compulsory insurance to protect those receiving the treatment

Section [B7.2](#) sets out the information we require from trustees to show how the risk of harm is managed.

Our approach to assessing this information follows the approach taken in the Soteria decision. Annex A of the Soteria Network decision ('Benefit or Harm') gives an indicative list of those circumstances where the greatest potential for harm exists, and describes two scenarios which show what low and high risk might look like for an organisation using CAM to achieve its aims. The Soteria Network decision itself shows the working out of our approach when the evidence is more finely balanced.

Caseworkers should take advice from a mentor or legal officer if they are unsure whether the evidence provided demonstrates that the risk of harm does not outweigh the benefit.

B7.2 Information the trustees need to provide to show the risk of harm resulting from use of the CAM does not outweigh the benefit

The information we need the trustees to provide in relation to managing the risk of harm will depend on the CAM method in question, and the potential for harm associated with it. In general, the trustees should be able to confirm most, if not all, of the following points to us as evidence that the CAM they are using is safe:

- The practitioners they use to administer treatments are (where one exists) members of the professional

standard-setting regulatory body applicable to the CAM method being used, and are bound by its codes of ethics, conduct and practice

Practitioners used to administer treatments must demonstrate a required standard of competency to deliver the method safely

If a method is intended to be used as a complement to conventional medicine beneficiaries are told this and advised to contact their GP or other practitioner of conventional medicine

Where a patient's condition is outside the practitioner's area of expertise (and therefore beyond the scope of what the method is capable of achieving), the practitioner advises them to contact their GP

Practitioners do not act contrary to the advice of the recipient's practitioner of conventional medicine

There are complaints and/or disciplinary procedures in place for when a treatment or course of treatments fails to benefit the patient in the way they have been told it will, or if it harms them

Where the nature of the treatment warrants this, practitioners have insurance to protect those receiving the treatment

See also section [B8](#) on Regulation.

When assessing this information we must be satisfied that, taken overall, the evidence is of the quality that would be accepted by a court or Tribunal as demonstrating benefit.

B8 Regulation of CAM

Regulation of a CAM, whether by statute or voluntary self-regulation, can be a significant factor in deciding whether the risk of harm is outweighed by the benefits. Where a CAM method is used it is important that there are controls and safeguards to ensure the treatment is administered safely. The presence of a formal regulatory framework (usually through a single regulator) will be helpful in showing how this is achieved and what the proven benefits of the method are in relation to the risk of harm.

Where there is no such framework, we take into account the nature and level of the risk of harm to recipients of the treatment in the particular circumstances of the applicant organisation, using the criteria for assessing benefit or harm described in Annex A of the [Soteria Network Decision](#). The greater the risk, the more necessary it will be for the organisation to show how the method and its practitioners are regulated, in order to confirm that the risks are outweighed by the benefits.

Where the CAM method is regulated by a recognised body, ie those listed in Group 1 of the [ready reference table](#) or the [Complementary and Natural Healthcare Council](#), we don't need to examine the regulator's requirements in detail. In these cases the trustees should confirm that the organisation and its practitioners will operate fully within the requirements of the regulator.