

Guideline Leaflet C03: Church Constitutions

All churches need a comprehensive governing document that meets the requirements of modern charity law. For a Baptist church this document is usually a constitution. This leaflet provides background information about constitutions and offers advice on how to update your church's own governing document.

This Guideline Leaflet is regularly reviewed and updated. To ensure that you are using the most up to date version, please download the leaflet from the BUGB website at www.baptist.org.uk/resources

The date on which the leaflet was last updated can be found on the download page.

C03: Church Constitutions

These notes are offered as guidelines by the Legal and Operations Team to provide information for Baptist churches.

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<u>L17 Legal and Operations Team – Regulatory Information</u>

These notes can never be a substitute for detailed professional advice if there are serious and specific problems, but we hope you will find them helpful.

If you want to ask questions about the leaflets and one of the Baptist Trust Companies are your property trustees, you should contact them. They will do their best to help.

If your church property is in the name of private individuals who act as trustees they may also be able to help.

This is one in a group of three leaflets about local church constitutions.

C03 Church Constitutions

C04 Approved Governing Document

C05 Using the Approved Governing Document

If you are revising your church constitution please read all three leaflets.

If you are interested in becoming a CIO (Charitable Incorporated Organisation) and adopting a CIO constitution please refer to *C11 Churches, Charities and Incorporation* and *C12 Using the Charitable Incorporated Organisation Precedent Document.*

THE EARLY BAPTISTS

A Baptist church is a group of people who are committed to advancing the Christian faith, by following Baptist principles. The first Baptist groups were not allowed to own land and buildings but were united by shared beliefs and practices. The Declaration of Principle, that is the basis of union for our churches, mentions the importance of Holy Scriptures, and from the beginning Baptists tried to be consistent with the patterns reflected in the Bible.

Belonging to a Baptist church was not socially acceptable because everybody was expected to be a member of the Church of England. In this context, joining a Baptist church was a radical commitment. The earliest groups set out their beliefs in early documents called Covenants, which new members signed. These documents are an important historic record but it is still important today for Baptist churches to understand what they believe and how they want to work together.

The Bible contains clear indications of how the early church organised their life together. There are records of meetings, decisions, the formation of groups for specific tasks and information about the management of funds and money. Just as the early Baptist groups tried to shape their life together around their beliefs Baptist groups still consider scripture in discerning how the church should develop in response to contemporary circumstances.

PROPERTY AND TRUST DEEDS

It was not until the Toleration Act 1689 that Baptists could purchase land and construct buildings. Title deeds were prepared and these often included information about how the land was to be used and how decisions about the property should be taken. It was usual to specify that the land would be used by a Baptist church with decisions about sales and purchases of property being taken by the Church Members Meeting. Although some early documents are comprehensive many lacked detail or included

provisions that were appropriate at the time but are no longer convenient.

THE DEVELOPMENT OF MODERN ARRANGEMENTS

Even the earliest Baptist churches worked in co-operation with neighbouring churches. There were local Baptist Associations and national networks. Early in the nineteenth century the Baptist Union was formed but this was not the only group of Baptist churches. New opportunities to plant new congregations emerged with the growth of cities. There was a growing tendency to use standard arrangements within property deeds. These sometimes included a very basic church constitution. Over time one scheme was succeeded by the next until in the middle of the twentieth century documents called Model Trusts were promoted by the Baptist Union and used as a convenient way to update old administrative provisions in property deeds and create a framework for a local church constitution.

The Baptist Trusts for Churches 2003 represented a change of pattern in the preparation of Model Trusts. Instead of including a proforma list of detailed arrangements it included a list of the essential elements that should be included in a local church constitution. Instead of the arrangements for the property, and the arrangements for running the local church being combined, it was recognised that a separate constitution would be needed for the local church, its funds and activities.

MODERN CHARITY REQUIREMENTS

Forty or fifty years' ago it seemed unlikely that a local church congregation would ever need to register with the Charity Commission. The overlap between the church's property trusts and its local patterns of organisation were so strong that churches tended to refer to the practical arrangements for calling church meetings, appointing ministers, electing deacons etc. that were contained in the property trusts, supplementing these when necessary with local rules that explained the detail.

Charity legislation and best practice in charity governance have created a situation where the local church needs to have its own constitution, which is a self-contained document and fully describes the church, its purposes, activities and practices.

Although the basic proforma constitutions set out in the earlier Model Trusts such as the Fuller Trusts (promoted between 1951 and the 1960s) and the Fairbairn Trusts (promoted from the 1960s to 2003) were suitable at the time, they do not meet current needs.

Problems sometimes arise where there are contradictions between the property trusts, a set of written local rules and informal practices. The need for a single comprehensive document to describe clearly the work, activities and organisation of the church is obvious. In addition, changes in charity law mean that old constitutions are not adequate. In particular, there is a need to identify the people who have responsibility for running the church (which is a charity) and ministers will only be able to receive their remuneration from church funds if there is a specific provision in the church constitution allowing this.

BENEFITS OF HAVING A CONSTITUTION FOR YOUR CHURCH

A constitution should be a clear statement, helping to provide a framework for the church. It will enable routine decisions to be taken effectively.

A clear constitution enables everyone in the church to understand how the church functions, how matters are brought forward for discussion, who may take decisions and how that process should work. As the church constitution is an open document it enables everyone to understand the arrangements, avoiding the potential problem of some individuals being very familiar with church rules and regulations but not explaining them in a way that enables everybody to understand. A constitution should also help new church members to understand the church, the activities it supports, its style and ethos, and how they can participate in the life of a church.

Sadly, there are occasions in church life where difficulties arise. If this happens it can be very helpful to have a clear framework for resolving the problems in a way that is clear and open.

ESSENTIAL ELEMENTS WITHIN A CONSTITUTION

The constitution is the formal way of stating how the church exists as a community. It must identify the name of the church, the purpose for which it exists and what it does. It will explain who can become a member of the church, and how members can participate.

Churches are charities and all charities need to be able to show that they offer a benefit to the public. An important part of doing this is having a constitution that describes the church, its purpose and activities. A constitution must include a 'Purpose' that is charitable and describe 'Activities' that demonstrate how the charity offers a Public Benefit.

It is important that a constitution identifies the people who have specific responsibility for the day to day management of the church, and in particular have responsibility for the legal and financial aspects of church life. Baptists tend to avoid using the word 'leaders' since they affirm the priesthood of all believers and recognise that every member has an opportunity and a responsibility to contribute to the life of the church. However, within Baptist churches there have always been individuals recognised for their spiritual and practical gifts who have taken the role of secretary, treasurer, deacon, elder or minister, sometimes together called a diaconate or leadership team.

The Charity Commission calls the people who lead the work of a charity the 'Charity Trustees'. These are the people who have been set aside by the church members to carry responsibility for the activities of the whole church. As well as being set apart by the church to fulfil specific responsibilities, maintaining a relationship of accountability with the church members is essential.

CHURCHES AND CHARITY REGISTRATION

Baptist churches with an income over £100k need to register with the Charity Commission. Unincorporated churches with an annual income under £100k may now register voluntarily if they wish but are not obliged to do so. Charitable Incorporated Organisations (CIOs) have to be registered whatever their income level. For further information please refer to our guideline leaflet C06 $\it Churches$ and $\it Charity Registration$.

To register, churches need to complete an online application form giving information about the church and its activities. They also need to submit the church constitution. This needs to be a self-contained single document. It must include a framework for the effective management of a modern charitable organisation.

OUR INCOME IS LESS THAN £100k PER ANNUM - WE DON'T NEED TO BOTHER?

Churches whose incomes are under £100k per annum may think that they do not need to consider updating their church constitution but all charities need to have a modern and robust constitution.

Baptist churches with an income of less than £100k per annum will continue to be 'Excepted from Registration'. For more information please refer to C06 *Churches and Charity Registration* but remember that your church is a charity because of what it is and does, whether or not it is registered with the Commission.

From April 2021 the excepting regulations were due to end and churches were expected to be treated the same as all other charities such that registration would be required for any church with an annual income over £5000. However, the Charities (Exception from Registration) (Amendment) Regulations 2021 extended the exception for a further ten years, until 31 March 2031.

It is still essential for you to prepare accounts in the appropriate form; please refer to F02 *Guidelines on Charity Accounts with an income under £250,000*.

APPROVED GOVERNING DOCUMENT

The Baptist Union of Great Britain has negotiated a model constitution for Baptist churches in membership with BUGB; the Charity Commission calls this an 'Approved Governing Document'. We have worked carefully to include arrangements that meet the requirements of modern charity law whilst

also reflecting our Baptist identity and practice.

A document that has been negotiated nationally will not reflect all the features of existing local documents that have evolved separately over time. However, we think the document includes a framework that we hope will be acceptable to most Baptist churches.

If you read the document and look for the pattern of activity and administration in your particular church, you will not find it. However, if you look at the document as a framework and seek to identify whether this is a pattern that you could work within, we think you will find that the proposed arrangements can be accepted. Choices have been included within the document where we know there are variations in practice between different Baptist churches.

DO WE HAVE TO USE THE APPROVED GOVERNING DOCUMENT?

Churches who choose to use the Approved Governing Document and need to register with the Charity Commission will find the process much easier. The Charity Commission will recognise the constitution submitted by the local church as a document they have already agreed. The arrangements it describes will be familiar and therefore the application process will be streamlined.

If a local church does not want to use the Approved Governing Document then they will still need to create a constitution that is acceptable to the Charity Commission and meets the requirements of current charity law and best practice; they may need to take professional legal advice. The document would then need to be reviewed individually by the Charity Commission and the local church and their advisors would need to work with the Charity Commission towards the agreement of a final document that is suitable.

WORKING WITH THE APPROVED GOVERNING DOCUMENT

Two other guideline leaflets are important:

C04 Approved Governing Document

C05 Using the Approved Governing Document

You will need to look at both leaflets and follow the guidance offered. As mentioned previously, a church that is considering incorporation as a CIO should refer to *C11 Churches, Charities and Incorporation* and *C12 Using the Charitable Incorporated Organisation Precedent Document.*

Churches that are part of an LEP (Local Ecumenical Partnership) should contact Hilary Treavis in our Faith and Society team to obtain model governing documents and associated guidance for LEPs (<a href="https://htt

FUTURE AMENDMENTS

If your church uses the Approved Governing Document on registration it is possible that amendments will be needed but probably not for several years. However, once the constitution has been registered with the Charity Commission they will need to be involved if it is changed. They must be told about and agree to the changes. They will note on the Register of Charities that an updated version is in use.

There are some provisions in the Approved Governing Document that cannot be changed without the specific consent of the Charity Commission. There are also provisions that are related to the identity of the church as a Baptist church. These cannot be altered without consulting with the Baptist Union of Great Britain and the local Baptist Association (see clause 27). The church should notify the Baptist Union of Great Britain and local Baptist Association of the proposed changes, giving six months' notice and allowing an opportunity for dialogue.

HOW DO WE ADOPT A NEW CONSTITUTION?

We recommend that you use the process of agreeing a new constitution as an opportunity to reflect on your present activities, organisation and administration. This could be a very positive experience if it is linked with teaching on the responsibilities of members, the dynamics of church members' meetings, the

role of deacons and ministers, and describing not only the activities of the church but also reviewing its aims and vision.

A Special Church Members Meeting is usually required for amendments to a constitution. Adopting a new constitution will require a formal and final decision at a Special Church Members' Meeting but it is important for there to be opportunities for discussion and response before the final resolution is presented. It is not appropriate for a lengthy document to be presented for adoption at short notice.

Once the constitution has been adopted you will require a final typed version which should be signed by all the Charity Trustees and dated the day of the meeting at which it was agreed. It will also be necessary for the minutes of that meeting to formally record that the constitution was adopted. The constitution will become the governing document for your church as soon as a resolution to adopt it has been passed.

Association Trust Company	Contact
Baptist Union Corporation Ltd East Midland Baptist Trust Company Ltd	Baptist Union Corporation Ltd Baptist House PO Box 44 129 Broadway Didcot Oxfordshire OX11 8RT Telephone: 01235 517700
Heart of England Baptist Association	Heart of England Baptist Association 480 Chester Road Sutton Coldfield B73 5BP Office Mobile: 0730 505 1770
London Baptist Property Board	London Baptist Association Unit C2 15 Dock Street London E1 8JN Telephone: 020 7692 5592
Yorkshire Baptist Association	17-19 York Place Leeds LS1 2EZ Telephone: 0113 278 4954
West of England Baptist Trust Company Ltd	West of England Baptist Trust Company Ltd Little Stoke Baptist Church Kingsway Little Stoke Bristol BS34 6JW Telephone: 0117 965 8828

This is one of a series of *Guidelines* that are offered as a resource for Baptist ministers and churches. They have been prepared by the Legal and Operations Team and are, of necessity, intended only to give very general advice in relation to the topics covered. These guidelines should not be relied upon as a substitute for obtaining specific and more detailed advice in relation to a particular matter.

The staff in the Legal and Operations Team at Baptist House (or your regional Trust Company) will be very pleased to answer your queries and help in any way possible. It helps us to respond as efficiently as possible to the many churches in trust with us if you write to us and set out your enquiry as simply as possible.

The Legal and Operations Team also support churches that are in trust with the East Midland Baptist Trust Company Limited.

If your holding trustees are one of the other Baptist Trust Corporations you must contact your own Trust Corporation for further advice. A list of contact details is provided above. If you have private trustees they too should be consulted as appropriate.

Contact Address and Registered Office:

Support Services Team, Baptist Union of Great Britain, Baptist House, PO Box 44,

129 Broadway, Didcot OX11 8RT

Tel: 01235 517700 Fax: 01235 517715 Email: legal.ops@baptist.org.uk Website: www.baptist.org.uk Registered CIO with Charity Number: 1181392

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