

A Scottish Charitable Incorporated Organisation
in terms of the
Charities and Trustee Investment (Scotland) Act 2005

CONSTITUTION

of

Scottish Grantmakers

Established on 3rd March 2021

Constitution as amended by Annual Members Meeting on 18th September 2022

Scottish Charity Number SC050813

A Scottish Charitable Incorporated Organisation

Constitution of Scottish Grantmakers

Table of Contents

Clause	Heading
1	Name and Principal Office
2	Definitions
3	Charitable Purposes and Powers
4	General Structure of the SCIO
5	Members (Full and Associate) and Affiliates
6	Members' Meetings
7	Conduct of Members
8	The Board of Trustees
9	Trustees - Election, Rotation and Retiral
10	Chair, Vice-Chairs, Treasurer, Co-ordinator
11	Conduct of Trustees
12	Constraints on Payments/Benefits to Trustees
13	Conflicts of Interest
14	Board Meetings
15	Accounts
16	Notices
17	Indemnity
18	Alteration to Constitution
19	Dissolution
Schedule 1	Definitions
Schedule 2	Complaints Policy

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1 NAME AND PRINCIPAL OFFICE

- 1.1 The name of this Scottish Charitable Incorporated Organisation is "Scottish Grantmakers" ("**the SCIO**").
- 1.2 The Principal Office of the SCIO is situated in Scotland.

2 DEFINITIONS

- 2.1 The definitions specified in Schedule 1 shall apply throughout this Constitution and any Schedule hereto.
- 2.2 Words importing the singular number only shall include the plural number, and *vice versa*. Any words or expressions defined in the Charities Act shall, if not inconsistent with the subject or context, bear the same meanings in the Constitution.
- 2.3 Any Schedule to this Constitution is deemed to form an integral part hereof.

3 CHARITABLE PURPOSES and POWERS

- 3.1 The Charitable Purposes of the SCIO ("**the Charitable Purposes**") are the promotion of the voluntary sector and the effectiveness or efficiency of charities, by:
 - 3.1.1 fostering and informing good practice in the administration, governance and leadership of trusts and foundations which are grantmakers in Scotland,
 - 3.1.2 affording opportunities to members for discussion, liaison, collaboration, education and networking, and
 - 3.1.3 engaging in projects and activities designed to enhance and promote the foregoing Purposes.
- 3.2 In terms of section 50(5) of the Charities Act, the SCIO shall have power to do anything which is calculated to further the Charitable Purposes or is conducive or incidental to doing so.

4 GENERAL STRUCTURE OF THE SCIO

The structure of the SCIO comprises:

- 4.1 **Members** - who have the right to attend the AMM (and any SMM or other members' meeting) and have important powers under this Constitution and the Charities Act, particularly in electing people to serve as Trustees and taking decisions in relation to any changes to this Constitution; and
- 4.2 **Trustees** - who hold regular meetings between each AMM, set the strategy and policy of the SCIO, generally control and supervise the activities of the SCIO and, in particular, are responsible for monitoring its financial position and, where there are no employees or managers appointed, are responsible also for the day-to-day management of the SCIO.

5 MEMBERSHIP

5.1 **Members**

- 5.1.1 Members shall be admitted in accordance with clause 5.2 and shall pay annual subscriptions in accordance with clause 5.8.
- 5.1.2 From and after the first SMM, membership of the SCIO is not open to individuals.

5.2 **Members (Full and Associate) and Affiliates**

The Membership structure is as follows:

- 5.2.1 **Full Member:** an organisation which is a recognised grantmaker (where grantmaking is its principal function), which is registered as a charity in Scotland (wherever in the United Kingdom its headquarters may be) and with more than 50% of its income from Assured Sources (see Clause 5.3 below) and with the amount of its annual grants awarded being greater than £50K pa.
- 5.2.2 **Associate Member:** an organisation which is a recognised grantmaker (where grantmaking is its principal function) but where it is not registered as a charity in Scotland, or a distinct entity but not an independent organisation, or a grantmaker where income from Assured Sources (see Clause 5.3 below) is less than 50%, or it would have qualified for Full Membership but where the amount of its annual grants awarded is less than £50K but more than £10K.
- 5.2.3 **Affiliate:** an exceptional discretionary category for organisations which administer or act as a trustee for several grant-making trusts or foundations. Affiliates are not members of the SCIO, although each may attend SCIO meetings without any voting rights.

5.3 **Assured Sources**

5.3.1 Assured Sources are:

5.3.1.1 interest and dividends on investments,

5.3.1.2 rent from land or property,

5.3.1.3 spending of capital,

5.3.1.4 regular long-term donations, committed for at least 3 years, and/or

5.3.1.5 well-established periodic public appeals.

5.3.2 The Board has discretion to permit a member, in exceptional circumstances only, to comply with membership criteria over a period of more than one year when external factors may impact a member's ability otherwise to comply.

5.4 **Register of Members**

The Board of Trustees shall maintain a Register of Members, as follows:

5.4.1 The Register includes the details of each member as required by The SCIO Regulations, as well as their category of membership, and their current Authorised Representative and Named Depute.

5.4.2 The Register will provide the following details of each former member for at least 6 years after cessation of membership, namely name and date of cessation of membership.

5.4.3 If a member or Trustee requests the SCIO to provide a copy of its Register of Members he or she is, if the request is reasonable, entitled to be given a copy within 28 days. The SCIO may not charge for doing so. If the request is made by a member, the SCIO can omit the address of any or all of its members in its response to such a request.

5.5 **Application for Membership**

Any application for membership to the SCIO will be:

5.5.1 by completion of such application form that the Board requires from time to time, which is lodged with the Co-ordinator, together with such supporting information as stated in the application form,

5.5.2 considered promptly by the Board, who shall make a decision on behalf of the SCIO both in relation to the application and, if successful, into which membership category the new member is to be placed,

5.5.3 intimated as soon as possible both to the applicant and to all members of the SCIO, and

5.5.4 if successful, subject to the new member's paying its first subscription in terms of Clause 5.8.3, and also satisfying the terms of Clause 5.7.

5.6 If any member no longer meets the criteria for its current membership category (see Clause 5.2.1 - 5.2.2), it shall be for the Board either to re-categorise the member in question to another relevant membership category or to invoke the terms of Clause 5.9.1.2.

5.7 **Authorised Representatives and Named Deputes**

Each member, whether Full or Associate, shall, within one month of admission to membership, appoint one named Authorised Representative and one Named Depute, on the following terms:

- 5.7.1 The Authorised Representative and Named Depute will usually be the Chair, other Trustee or senior executive of the member organisation.
- 5.7.2 The Authorised Representative, whom failing the Named Depute, shall represent, act and vote for such member at all Meetings of the SCIO. The Named Depute may represent and act for such member only in the absence of the Authorised Representative. Where a member is stated within this Constitution to be "present", it is present through the attendance of its Authorised Representative or its Named Depute.
- 5.7.3 Any change in the appointment of an Authorised Representative, and/or of a Named Depute, may be made at any time, but only by written notice served by the appointing member to the SCIO. Such notice will take effect in respect of any meeting of the SCIO taking place 48 hours or more after receipt of the notice to the Co-ordinator to allow sufficient time for the appointing member to serve a copy of the notice to anyone named therein and to enable the SCIO to act upon such notification.
- 5.7.4 In the case of any dispute as to the correct Authorised Representative and/or Named Depute serving at any time, the matter will be settled by the person chairing the meeting in accordance with the most recent notice validly received by the Co-ordinator.
- 5.7.5 If the Board of Trustees considers that any member's Authorised Representative or Named Depute has acted in such a way as to undermine significantly the provisions of Clause 7 and/or to prejudice the interests of the SCIO, it will address the matter with the appointing member and if, after discussion with the appointing member, the Board considers unanimously (but excluding any Trustee conflicted in this matter) that the Authorised Representative or Named Depute in question should be replaced it can require the appointing member to do so.

5.8 **Annual Subscriptions**

With regard to annual subscriptions:

- 5.8.1 these are based on the amount of grants awarded or income – whichever be the higher,
- 5.8.2 the rates of subscription for each of the Full Members, the Associate Members and Affiliates for the year ahead are set by the members at the SCIO's AMM,
- 5.8.3 a new member is not eligible either to attend any meeting of the SCIO, or to vote, until the first subscription has been paid (where applicable), on a *pro rata* basis in relation to the number of months remaining in the current subscription year, and

5.8.4 in the event of cessation of membership at any time, there will be no refund of any unexpired subscription already paid.

5.9 Cessation of Membership

5.9.1. A member, of any category, will cease to be a member of the SCIO:

5.9.1.1 if it resigns in writing to the SCIO,

5.9.1.2 if it fails to meet the membership criteria of either of the membership categories listed in Clause 5.2.1 - 5.2.2, or

5.9.1.3 if it fails to pay its subscription (following written notice requesting payment) for a period of 6 months after it becomes payable, or

5.9.1.4 if its membership is terminated by resolution of not less than two-thirds of the members present and voting (and not including the member in question) at a properly convened meeting of members, at which the member in question is entitled to be present and to speak, in the event of that member's failure:

(a) to act (either itself or through its Authorised Representative and/or Named Depute), in the opinion of the Board, in accordance with the purposes of the SCIO, or

(b) to act (either itself or through its Authorised Representative and/or Named Depute), in such a way which, in the opinion of the Board, significantly undermines the provisions of Clause 7 and/or prejudices the interests of the SCIO.

5.9.2 In the case of an Affiliate, although not a member, the provisions of Clauses 5.9.1.1, 5.9.1.3 and 5.9.1.4 apply *mutatis mutandis*.

5.10 Non-Transferability

Membership is neither transferable nor assignable to any other individual or organisation.

6 MEMBERS' MEETINGS

6.1 Convening an AMM

The Board shall convene an AMM at least once in every 15 month period.

6.2 AMM Agenda

The business of each AMM shall include:

6.2.1 verbal report from the Chair on past and prospective activities

6.2.2 receipt of the accounts of the SCIO,

6.2.3 election of Trustees,

6.2.4 fixing the rate or rates of annual subscription to be paid by Full and Associate Members and by the Affiliates, and

6.2.5 dealing with any other business of which prior notice has been given.

6.3 **Convening an SMM**

An SMM may be convened in the following circumstances:

- 6.3.1 Any 3 or more Trustees (“the requisitionists”) may convene an SMM whenever they think fit.
- 6.3.2 The Board must convene an SMM within 28 days of a valid requisition. To be valid, such requisition must:
 - 6.3.2.1 be signed by not less than 5 members,
 - 6.3.2.2 clearly state the objects of the meeting, and
 - 6.3.2.3 be deposited with the SCIO.Such requisition may consist of several documents in like form each signed by one or more requisitionists.

6.4 **Notice of Members’ Meetings**

- 6.4.1 At least 14 clear days’ notice shall be given of every AMM and SMM.
- 6.4.2 The notice shall specify the place (address if physical, and electronic joining instructions if virtual), the day and the hour of meeting and, in the case of special business, the specific nature of that business.
- 6.4.3 The notice shall be sent, in the manner specified in Clause 16, to all members and to such persons or organisations as are under this Constitution entitled to receive such notices.
- 6.4.4 The accidental omission to give notice of a Members’ Meeting to, or the non-receipt of such notice by, any members, persons or organisations entitled to receive notice thereof shall not invalidate any resolution passed at or proceedings of any AMM or SMM.

6.5 **Chair of Members’ Meetings**

The Chair of the SCIO, whom failing one of the Vice-Chairs of the SCIO (if any), shall act as the person chairing each Members’ Meeting. If neither the Chair nor either of the Vice-Chairs is present and willing to act as the person chairing the meeting within 15 minutes after the time at which the Members’ Meeting in question was due to commence, the Trustees present shall elect from among themselves the Trustee who will act as the person chairing that meeting.

6.6 **Holding of and Quorum at Members’ Meetings**

- 6.6.1 The quorum for a Members’ Meeting shall be 12 full members or 25% of the Full Members if fewer, present in person. No business shall be dealt with at any Members’ Meeting, other than the appointment of the person chairing the meeting in terms of Clause 6.5, unless a quorum is present.
- 6.6.2 If a quorum is not present within 10 minutes after the time at which the Members’ Meeting was due to commence - or if, during a Members’ Meeting, a quorum ceases to be present - the Members’ Meeting may continue to take decisions in principle, subject to a notification of these decisions to all members within 7 days of the meeting. The decisions

taken in principle shall become effective 21 days after the meeting unless any member notifies its objection within that time. In the event of a member objecting to a decision taken in principle, the Members' Meeting shall stand adjourned to such time and place as may be fixed by the person chairing the meeting, and those present at the adjourned meeting shall constitute a quorum.

6.6.3 Other members' meetings (not being an AMM or SMM) of which there will be at least two in each year, will be convened on the instructions of and at the discretion of the Board or by requisition of at least 5 members.

6.6.4 Any AMM, SMM or other members' meeting may be held virtually, electronically and/or physically as long as all those entitled to attend and/or to vote may readily be able to do so.

6.7 Voting at Members' Meetings - General Provisions

6.7.1 The person chairing the meeting (see Clause 6.5) shall endeavour to achieve consensus wherever possible but, if necessary, questions arising shall be decided by being put to the vote.

6.7.2 Each member of the SCIO shall have one vote, to be exercised by its Authorised Representative or Named Depute only.

6.7.3 Affiliates may attend any AMM and SMM of the SCIO, and any other meeting of the SCIO to which they are invited; not being members of the SCIO, they have no vote thereat.

6.7.4 No member may appoint a proxy to attend and vote at a meeting in its stead (in view of Clause 5.7).

6.7.5 Decisions taken at meetings of the SCIO in relation to all matters, except as otherwise provided in this Constitution (and notably in Clause 6.8), will be taken by a vote of a simple majority of the members attending and voting at the meeting.

6.7.6 In the event of an equal number of votes for and against any resolution, the person chairing the meeting shall have a casting vote as well as any deliberative vote.

6.7.6 The person chairing the meeting may permit any other person or persons to attend a Members' Meeting who otherwise has no right to do so, as an observer or observers. In that event, it shall be at the discretion of the person chairing the meeting whether any such observer may be invited to speak thereat.

6.8 Voting at Members' Meetings - Special Resolutions

At any Members' Meeting any Special Resolution shall require to be decided upon by not less than two-thirds of the members present and voting thereon (no account therefore being taken of members who abstain from voting or who are absent from the meeting), namely:

6.8.1 to alter the name of the SCIO,

6.8.2 to amend the Charitable Purposes,

6.8.3 to amend the Constitution in terms of Clause 18, or

6.8.4 to dissolve the SCIO in terms of Clause 19.

6.9 **Voting – Written Resolutions**

6.9.1 Ordinary Resolutions may be decided upon in writing, rather than at a Members' Meeting, by the written votes of a simple majority of those members voting thereon (no account therefore being taken of members who abstain from voting).

6.9.2 Special Resolutions may be decided upon in writing, rather than at a Members' Meeting, by the unanimous written votes of all members.

6.9.3 Any such written resolution may consist of several documents in the same form, each signed by or on behalf of one or more members.

6.9.4 Once a member has signed and returned a written resolution in agreement thereto, his or her agreement is irrevocable.

7. **CONDUCT OF MEMBERS**

7.1 **Values**

Each member of the SCIO (including throughout this Clause its Authorised Representative and Named Depute) adheres to and upholds the values of integrity, objectivity, honesty, openness, respect, confidentiality and accountability.

7.2 **Integrity, Objectivity and Honesty**

Each member must at all times:

7.2.1 act with integrity and avoid any acts, omissions or practices which harm the SCIO and/or its individual members,

7.2.2 conduct itself in a professional, courteous and respectful manner to fellow members, employees or any person acting in the interests of the SCIO,

7.2.3 deal fairly and objectively with all matters for consideration put before the membership,

7.2.4 act in good faith, responsibly, with due care, competence and diligence, without allowing objectivity or independent judgment to be subordinated, not use any information or opportunity received as member in a manner which would be detrimental to the interests of the SCIO or to any of its other members or those tasked to act on behalf of the SCIO, and

7.2.5 must declare any private interests relating to its role within the SCIO and take steps to resolve any conflicts arising.

7.3 **Openness and Respect**

Each member will be considerate and respectful to all those it come into contact in its role as a member. It will respect diversity and different roles and boundaries of the Board, Co-ordinator and any organisation or person tasked with acting on the SCIO's behalf.

7.4 **Confidentiality**

Each member must at all times:

- 7.4.1 respect the confidentiality of information relating to the affairs of the SCIO and/or its individual members acquired in the course of its membership, observing the Chatham House Rule, except when authorised or legally required to disclose such information,
- 7.4.2 not use confidential information acquired in the course of membership for personal advantage or for the advantage of any other entity,
- 7.4.3 agree that member responses to individual member or SCIO consultations whether circulated by email or otherwise shall be recorded confidentially by the SCIO's Co-ordinator, shall be available to all Trustees, and a summary analysis of which shall be distributed to the whole SCIO membership, with the only exception to this being where an individual member seeks advice on a specific issue and is happy that its email address is circulated for direct responses from members.

7.5 **Complaints**

Each member will adhere to and uphold the Complaints Policy of the SCIO as stated in Schedule 2.

8 **BOARD OF TRUSTEES**

8.1 **Role of the Board**

The strategy and affairs of the SCIO shall be directed and managed by its Board elected in terms of Clause 9. The Board may exercise all such powers of the SCIO, and do on behalf of the SCIO all acts as may be exercised and done by the SCIO, other than those required to be exercised or done by the members at a Members' Meeting, and subject always to this Constitution.

8.2 **Delegation**

- 8.2.1 The Board may delegate any of its powers to any sub-committee, short-term working group or persons or person, by such means, to such an extent and on such remit, terms and conditions as it thinks fit, and may at any time revoke such delegation, in whole or in part, or alter such terms and conditions. If the Board so specifies, any such delegation may authorise further delegation of the Board's powers by any sub-committee, short-term working group or persons or person to whom they are delegated.
- 8.2.2 Unless expressly part of such delegation, no decision of any such sub-committee, short-term working group or persons or person shall bind the Board.

9 TRUSTEES - ELECTION, ROTATION AND RETIRAL

9.1 Composition of the Board of Trustees

- 9.1.1 The Board shall comprise not be fewer than 3 and not more than 7 Trustees, are elected by the members in terms of Clause 9.2.
- 9.1.2 The Board may act notwithstanding any vacancy in it, but where the number of Trustees falls below the minimum number of 3, it may only do so for the purpose of appointing sufficient Trustees to match or exceed that minimum.

9.2 Election of Trustees

- 9.2.1 The members shall elect up 7 Trustees, each of whom shall be a nominee of a Full Member. A Full Member may nominate for election any individual who is eligible to be a trustee of a Scottish charity: a nominee does not have to hold a formal role in the Full Member's charity.
- 9.2.2 At the second and each subsequent AMM, one-third of the Trustees (or the nearest number downwards) shall retire from office by rotation. A retiring Trustee shall retain office until the close or adjournment of the meeting. A retiring Trustee shall be eligible for re-election after one term of office, but no Trustee can serve more than 3 consecutive terms of office, without at least 1 year out of office before being eligible again.
- 9.2.3 If no other Trustee has or Trustees have decided or agreed to retire, the Elected Trustees to retire at each AMM shall be those who have been longest in office since their last election but, as between persons who were elected or last re-elected Trustees on the same day, the one or ones to retire shall (unless they otherwise agree amongst themselves) be determined by lot.
- 9.2.4 Nomination of any Trustee shall be in writing by not less than any 2 Full Members. Nominations can be validly served until immediately before the start of the meeting itself.
- 9.2.5 Election of any Trustee shall be by vote of the members, each having one vote for each vacancy in the Trustees on the Board.

9.3 Unexpected Vacancy by a Trustee

In the event of an unexpected vacancy arising in terms of Clause 9.4 as a result of either a Trustee no longer being a nominee of a Full Member or a Trustee's retiral or deemed retiral, or in the event that fewer than 7 Trustees are elected by the members in terms of Clause 9.2, the Board may appoint a substitute to hold that vacated Trustee position until the next AMM (such substitute not requiring to be a Trustee, but who then would become one until the next AMM), with the period served by such incoming Trustee not being counted as a term of office, or part of one, in relation to Clause 9.2.2.

9.4 **Retiral and Deemed Retiral of Trustees**

Any Trustee must cease to be a Trustee in any one or more of the following events:

- 9.4.1 if he or she is prohibited from being a charity trustee by virtue of section 69(2) of the Charities Act,
- 9.4.2 if, in terms of section 66(5) of the Charities Act, he or she is considered by the Board to have been in serious or persistent breach of any of the duties listed in sections 66(1) and 66(2) of the Charities Act, such Trustee being entitled to be heard prior to the Board taking a decision,
- 9.4.3 if he or she holds any office of profit or is employed by the SCIO (except where the provisions of Clause 12.4 shall apply),
- 9.4.4 if he or she has a significant conflict of interest which the Board considers has and is likely to continue to undermine his or her ability to act impartially as a Trustee (subject to Clause 9.5),
- 9.4.5 if he or she becomes incapable for medical reasons of fulfilling the duties of his or her office and such incapacity, as certified if necessary by a medical practitioner, is expected to continue for a period of more than six months from the date or later date of such certification,
- 9.4.6 if he or she is absent (without permission) from more than 3 consecutive meetings of the Board, and the Board resolves to remove him or her from office (subject to Clause 9.5),
- 9.4.7 if he or she is considered by the Board to have acted in such a way as to undermine significantly the provisions of Clause 11 and/or to prejudice the interests of the SCIO (subject to Clause 9.5),
- 9.4.8 if he or she ceases for a period in excess of 3 months to be a nominee of a Full Member,
- 9.4.9 if, by notice in writing to the SCIO, he or she resigns his or her office as a Trustee, or
- 9.4.10 if he or she dies.

9.5 In the case of issues arising which relate to Clauses 9.4.2, 9.4.4, 9.4.6 or 9.4.7, the Trustee in question shall be entitled to be heard at a meeting of the Board, prior to the Board's taking a decision by a simple majority of all Trustees (excluding the Trustee in question).

9.6 **Register of Trustees**

- 9.6.1 The Board shall maintain a Register of Trustees, setting out the following details of each Trustee: name, address, email address, date of appointment, the appointing member and details of any offices held at the SCIO.
- 9.6.2 The Register must provide the following details of each former Trustee for at least 6 years after cessation of trusteeship: name, details of any offices held at the SCIO and date of cessation of trusteeship.
- 9.6.3 The Register of Trustees is open to all members and Trustees of the SCIO, but Trustees' addresses (or any of them) can be kept confidential by the SCIO.

- 9.6.4 Changes to the Register must be made within 28 days of the SCIO receiving notice of any change.
- 9.6.5 If an individual requests the SCIO to provide a copy of its Register of Trustees, he or she is, if the request is reasonable, entitled to be given a copy within 28 days. The SCIO may not charge for doing so. The SCIO can omit all or any of its Trustees' addresses in its response to a request.

10 CHAIR, VICE-CHAIRS, TREASURER, CO-ORDINATOR

10.1 Officers

The Board shall meet as soon as practicable immediately after each AMM to appoint a Chair, up to 2 Vice-Chairs and a Treasurer of the SCIO ("the Officers") from the Board to serve until the next AMM, when eligible for re-election so long as remaining as a Trustee.

- 10.2 In the event of an unexpected vacancy arising as a result of an Officer no longer being a nominee of a Full Member in terms of Clause 9.4.8 or the retiral or deemed retiral of an Officer because of Clause 9.4, the Board may (after consulting with the members if the substitute is not currently a Trustee), appoint a substitute to hold that vacated position until the next AMM (such substitute not requiring to be a Trustee, but who then would become one until the next AMM), with the period served by such incoming Trustee not being counted as a term of office, or part of one, in relation to Clause 9.2.2.

10.3 Co-ordinator

The Board may appoint an individual or an organisation to be the SCIO's Co-ordinator, who or which is not a Trustee, for such period and on such terms as it determines, to carry out an administrative function on behalf of the Board and members.

11 CONDUCT OF TRUSTEES

- 11.1 Each Trustee is obliged to act in accordance with the duties listed in section 66 of the Charities Act (see Clause 11.2) so as to take decisions in such a way as is considered, in good faith, most likely to be in the interests of the SCIO, and to promote its success in achieving the Charitable Purposes.
- 11.2 The duties listed in section 66 of the Charities Act to which each Trustee must adhere are:
 - 11.2.1 to act in the interests of the SCIO,
 - 11.2.2 to seek, in good faith, to ensure that the SCIO acts in a manner which is consistent with its Charitable Purposes,
 - 11.2.3 to act with the care and diligence that it is reasonable to expect of a person who is managing the affairs of another person, and

- 11.2.4 in circumstances giving rise to the possibility of a conflict of interest between the SCIO and any party responsible for the appointment of that Trustee:
 - 11.2.4.1 to put the interests of the SCIO before those of the other party, and
 - 11.2.4.2 where any other duty prevents the Trustee from doing so, to disclose the conflicting interest to the SCIO and to refrain from participating in any deliberation or decision of the Board with regard to the matter in question, and
- 11.2.5 to ensure that the SCIO complies with any direction, requirement, notice or duty imposed upon under or by virtue of the Charities Act.

11.3 The provisions of Clauses 12 and 13 are also pertinent to a Trustee's conduct.

11.4 Additionally, each Trustee must be mindful of the requirement to preserve confidentiality where appropriate or requested in relation to the SCIO or its business, in order to act always in the interest of the SCIO.

12 CONSTRAINTS ON PAYMENTS/BENEFITS TO MEMBERS AND TRUSTEES

12.1 The income and property of the SCIO shall be applied solely towards promoting the Charitable Purposes.

12.2 No part of the income or property of the SCIO shall be paid or transferred (directly or indirectly) to the members or Trustees of the SCIO, whether by way of dividend, bonus or otherwise, except where such members or Trustees are in receipt of income or property of the SCIO as a beneficiary of the SCIO in terms of the Charitable Purposes.

12.3 No Trustee shall be appointed as a paid employee of the SCIO.

12.4 No benefit (whether in money or in kind) shall be given by the SCIO to any member or Trustee except the possibility of:

- 12.4.1 repayment of out-of-pocket expenses to Trustees (subject to prior agreement by the Board),
- 12.4.2 payment of interest at a rate not exceeding the commercial rate on money lent to the SCIO by any member or Trustee,
- 12.4.3 payment of rent at a rate not exceeding the open market rent for property let to the SCIO by any member or Trustee, or
- 12.4.4 payment to one or more Trustees by way of any indemnity where appropriate.

13 CONFLICTS OF INTERESTS

13.1 Any Trustee and/or employee and/or service-provider who has a personal interest (as defined in Clause 13.2) in any prospective or actual contract or

other arrangement with the SCIO must declare that interest either generally to the Board or specifically at any relevant meeting of the SCIO. Where such an interest arises, the provisions within Clause 13.3 shall apply.

- 13.2 A personal interest includes the following interests:
 - 13.2.1 those of the Trustee or employee or service-provider in question,
 - 13.2.2 those of his or her partner or close relative,
 - 13.2.3 those of any business associate,
 - 13.2.4 those of any firm of which he or she is a partner or employee,
 - 13.2.5 those of any limited company of which he or she is a director, employee or shareholder of more than 5% of the equity,
 - 13.2.6 those of any charity of which he or she is a trustee or employee, and/or
 - 13.2.7 those of any person or organisation responsible for his or her appointment as a Trustee.
- 13.3 Whenever a Trustee finds that there is a personal interest, as defined in Clause 13.2, he or she has a duty to declare this to the Board meeting in question. In that event, in order to avoid a material conflict of interest arising, the Trustee in question cannot partake in discussions or decisions relating to such matter.
- 13.4 It shall be for the person chairing the meeting in question (or if it be the person chairing the meeting who is potentially or actually conflicted, it shall be for the other Trustees present) to determine whether the Trustee in question should at the least be required to be absent during that particular element of the meeting. In terms of Clause 14.1, where a Trustee leaves, or is required to leave, the meeting in question, he or she no longer forms part of the quorum thereat.
- 13.5 The Board may at any time resolve to authorise any Trustee to continue acting where a real or potential conflict of interest exists in relation to a personal interest of that Trustee, but where it considers that the interests of the SCIO have not been nor are likely to be prejudiced as a result. The Trustee in question cannot be considered as part of the quorum for that part of any Board meeting giving consideration to this authorisation.
- 13.6 The Board may resolve at any time to require all Trustees and employees to deliver a Notice of Relevant Interests to the Principal Office (or elsewhere as it may determine), as they arise and at least annually. In that event, the Board shall determine from time to time what additional interests to those listed in Clause 13.2, if any, shall be relevant interests and shall ensure that a Register of Notices of Relevant Interests is maintained.
- 13.7 If existing, the Register of Interests shall be open for inspection by both the Board and members of the SCIO and, with the express prior written approval of the Trustee or employee concerned, by members of the public.

14 BOARD MEETINGS

14.1 Quorum

14.1.1 The quorum for Board meetings shall be the greater of (a) 3 Trustees and (b) not less than 50% of all the Trustees. No business shall be dealt with at a Board meeting unless a quorum is present.

14.1.2 A Trustee shall not be counted in the quorum at a meeting (or at least the relevant part thereof) in relation to a resolution on which, whether because of personal interest or otherwise, he or she is not entitled to vote.

14.2 Convening Board Meetings

14.2.1 Meetings of the Board may take place in person or by telephone conference call, video conference call or by any other collective electronic means approved from time to time by the Board.

14.2.2 A Trustee may at any time summon a meeting of the Board by notice served upon all Trustees, to take place at a reasonably convenient time and date.

14.3 Chair of Board Meeting

The Chair, whom failing one of the Vice-Chairs, shall be entitled to preside as the person chairing all Board meetings at which he or she shall be present. If at any meeting neither the Chair nor either of the Vice-Chairs is present and willing to act as the meeting within 15 minutes after the time appointed for holding the meeting, the remaining Trustees may appoint one of the Trustees to be the person chairing the Board meeting, which failing the meeting shall be adjourned until a time when the Chair or Vice-Chair will be available.

14.4 Voting at Board Meetings

14.4.1 The person chairing the Board meeting shall endeavour to achieve consensus wherever possible but, if necessary, questions arising shall be decided by being put to the vote, on a show of hands only, each Trustee present having one vote.

14.4.2 All decisions of the Board shall be by a simple majority at any meeting which is quorate at the time the decision is taken.

14.4.3 In the event of an equal number of votes for and against any resolution at a Board meeting, the person chairing the meeting shall have a casting vote as well as a deliberative vote.

14.4.4 A resolution in writing (whether one single document signed by all or a sufficient majority of the Trustees or all or a sufficient majority of the members of any sub-committee), whether in one or several documents in the same form each signed by one or more Trustees or members of any relative sub-committee as appropriate, shall be as valid and effectual as if it had been passed at a meeting of the Board or of such sub-committee duly convened and constituted.

14.5 **Observers**

The Board may invite or allow any person to attend and speak, but not to vote, at any meeting of the Board.

14.6 **Minutes**

The Board shall cause minutes to be made of all appointments made by it and of the proceedings of all Members' Meetings and of all Board meetings and of sub-committees or short-term working groups, including the names of those present, and all business transacted at such meetings and any such minutes of any meeting, if purporting to be signed after approval, either by the person chairing such meeting, or by the person chairing the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated. The minutes shall be retained for at least 10 years.

15 **ACCOUNTS**

15.1 **Accounting Records**

The Board shall cause accounting records to be kept in accordance with the requirements of the Charities Act. The accounting records shall be maintained by the Treasurer or otherwise by, or as determined by, the Board. Such records shall be kept at such place or places as the Board shall think fit and shall always be open to the inspection of the Trustees. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the SCIO or any of them shall be open to the inspection of the members of the SCIO.

15.2 **Independent Examiner**

For every financial period, the accounts of the SCIO shall be examined in accordance with the Charities Act by an independent examiner, who shall be appointed by the Board on the direction of members in Members' Meeting.

15.3 **Accounts**

At or before each AMM, or otherwise after the Accounts have been approved by the Board, it shall provide the members with a copy of the accounts for the period since the last preceding accounting reference date or (in the case of the first account since the incorporation of the SCIO). The accounts shall be accompanied by proper reports of the Board and the independent examiner. As an alternative, the Accounts may be available for inspection on the website of the SCIO (with all members, Trustees and the independent examiner being made aware that they are so available for inspection there).

16 **NOTICES**

16.1. A notice may be served by the SCIO upon any member, either personally or by sending it by post, e-mail or other appropriate electronic means, addressed

to such member at his or her or its address as appearing in the Register of Members. Every member shall provide an email address for this purpose.

16.2 Any notice may be served by email to the address specified by the member for receipt of communications from the SCIO and shall be deemed to have been served 24 hours after being sent.

16.3 A member present at any meeting of the SCIO shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.

17 INDEMNITY

Without prejudice to any other indemnity, the Trustees, or member of any sub-committee or short-term working group, all employees, and members of the SCIO shall be indemnified out of the funds of the SCIO against any loss or liability (including the costs of defending successfully any court proceedings) which he, she or they may respectively incur or sustain, in connection with or on behalf of the SCIO and each of them shall be chargeable only for so much money as he or she may actually receive and they shall not be answerable for the acts, receipts, neglects or defaults of each other, but each of them for his or her own acts, receipts, neglects or defaults only.

18 ALTERATION OF CONSTITUTION

Subject to the terms of Clause 6.8, no alteration in this Constitution may at any time be made unless by the decision of not less than two-thirds of the members present and voting at a Members' Meeting called specifically (but not necessarily exclusively) for the purpose.

19 DISSOLUTION

19.1 The dissolution of the SCIO may take place only:

19.1.1 on the decision of not less than two-thirds of the members present and voting at a Members' Meeting called specifically (but not necessarily exclusively) for the purpose, and

19.1.2 in accordance with the procedures set out in the Charities Act and relative Regulations (currently the Scottish Charitable Incorporated Organisation (Removal from Register and Dissolution) Regulations 2011).

19.2 If, on the dissolution of the SCIO, any property remains, after satisfaction of all its debts and liabilities, such property shall be given or transferred to any one or more charities having the same or a similar object to the Charitable Purposes.

- 19.3 The charity or charities to which the property is to be transferred in terms of Clause 19.2 shall be determined on the decision of not less than two-thirds of the members of the SCIO who are present and voting at a Members' Meeting called specifically (but not necessarily exclusively) for the purpose or, failing that, by a decision of not less than two-thirds of the Board.
- 19.4 The members of the SCIO are not liable to contribute to the assets of the SCIO upon its dissolution.

Schedules annexed

Schedule 1 Definitions and Meanings

Schedule 2 Complaints Policy

SCOTTISH GRANTMAKERS

Schedule 1

Definitions

The definitions specified in this Schedule 1 apply throughout this Constitution and the Schedules hereto:

WORDS	DEFINITIONS
AMM	- Annual Members' Meeting.
Affiliate(s)	- as defined in Clause 5.2.3.
Applicants	- those first members of the SCIO who are the individuals who make the Application to OSCR under section 54(1) of the Charities Act.
Associate Member(s)	- as defined in Clause 5.2.2.
Assured Sources	- as defined in Clause 5.3.
Board	- the Board of Trustees.

Charitable Purposes	- as described in Clause 3 on the basis that these fall within section 7 of the Charities Act and are also regarded as charitable in relation to the application of the Taxes Acts.
Charities Act	- the Charities and Trustee Investment (Scotland) Act 2005 and every statutory modification and re-enactment thereof for the time being in force, together with all related regulations.
Chair	- as defined in clause 10.1.
charity	- A body on the Scottish Charity Register which is also regarded as a charity in relation to the application of the Taxes Acts.
Chatham House Rule	- When, during a meeting, or part thereof, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.
Clause(s)	- Clause(s) of this Constitution
Confidential information	- For the purposes of the Constitution and, in particular, clause 7.4 "Confidential Information" means any and all information, whether or not recorded in documentary form, relating to the SCIO itself and the members of the SCIO that is not generally available to the public, including, but not limited to, strategic, financial or planning information. It also includes any information presented by members or external speakers at events organised by the SCIO which is highlighted at the time as being "confidential" or "for members only".
Co-ordinator	- as defined in Clause 10.4, or, in the absence of any such appointment, the person or organisation tasked by the Board with this administrative function at the material time.
Full Member(s)	- as defined in Clause 5.2.1.
in writing	- written, printed or lithographed, or partly one and partly another, and other modes of representing or producing words in a visible and non-transitory (albeit electronically-based) form, including email.
members	- all members of the SCIO, with 2 different classifications of membership - Full and Associate - as defined in Clause 5.2.
month	- calendar month.

organisation	- any body corporate, unincorporated association, society, federation, authority, agency, union, co-operative, trust, partnership or other organisation (not being an individual person).
Officers	- as defined in clause 10.1.
OSCR	- the Office of the Scottish Charity Regulator.
property	- any property, assets or rights, heritable or moveable, wherever situated in the world.
SCIO	- Scottish Grantmakers.
SCIO Regulations, The	- The Scottish Charitable Incorporated Organisations Regulations 2011, and every modification and re-issue thereof for the time being in force.
SMM	- Special Members' Meeting.
the SCIO	- Scottish Grantmakers.
Treasurer	- as defined in Clause 10.1.
Trustee(s)	- the charity trustees for the time being of the SCIO.
Vice-Chair	- as defined in clause 10.1.



SCOTTISH GRANTMAKERS

Schedule 2

Complaints Policy

1. Introduction

Scottish Grantmakers (“the SCIO”) treats complaints seriously and will resolve complaints promptly whenever possible, learning from them to improve future practice. If any member believe that a member of the SCIO has itself or through its Authorised Representative or Named Depute breached the SCIO’s Constitution, or it has concerns about its or their professional conduct, or if any member wishes to complain about a matter of general principle or action taken relating to the operation of the SCIO, these are the procedures in place to make a complaint.

2. Who may make a complaint?

Anyone, whether an organisation or an individual regardless of whether they are a member, can make a complaint or raise a concern about a member (or its Authorised Representative or Named Depute), the Board or the SCIO, if the complainant believes that a member (or its Authorised Representative or Named Depute), the Board or the SCIO has breached the Constitution of the SCIO.

3. Who can a complaint be made about?

Members, their Authorised Representatives, their Named Deputes, the Board, any sub-committees or short-term working groups, and/or the SCIO itself.

4. Complaints Handling Procedure

4.1 A complaint can be received by telephone, in writing or by email, addressed directly to the Chair of the SCIO. Where the complaint relates to the Chair, the complaint may be addressed directly to one of the Vice-Chairs.

4.2 A complaint will be acknowledged **within 3 working days of receipt** and the complainant will be advised of the name of the Investigating Officer who will be their point of contact throughout the investigation of the complaint.

4.3 The Investigating Officer will be Trustee who is appointed by the Board (excluding any Trustee being individually complained about). In exceptional circumstances, where the complaint relates to a matter subject to legal or regulatory process (e.g. employment, constitutional), an external independent party may be appointed (for a fee) by the Board, independently to investigate the complaint. Where the complaint is about the Board itself, an external independent party will be so appointed.

- 4.4 All complaint information will be handled sensitively, involving only those who need to know and following all relevant data protection requirements.
- 4.5 Where appropriate, a member, Trustees, sub-committee members or short-term working group members, should be informed if a complaint has been made about them, or in the case of a member its Authorised Representative or Named Depute, or actions for which it or they were responsible either individually or collectively or as the SCIO. The Investigating Officer will ensure that such individual, organisation, group or the SCIO, as the case may be, has an opportunity to respond to the allegations made.
- 4.6 Ideally, complainants should receive a definitive reply from the Investigating Officer, **within 14 working days**. The Investigating Officer will inform the Board of the outcome of the investigations and the conclusions drawn. The Board must intimate the Investigating Officer's reply to the complainant **within 3 working days** of its receipt by them.
- 4.7 If this is not possible because, for example, an investigation has not been fully completed, a progress report should be sent to the complainant with an indication of when a full reply will be given.
- 4.8 If the concern is resolved to the complainant's satisfaction, the matter should be fully recorded, including full details of the outcome, and any action taken to resolve the matter.
- 4.9 If the complainant is unhappy with the proposed outcome of the complaint, he or she will have the right to appeal the decision of the Investigating Officer (except where the Investigating Officer is an external independent party) **within 7 working days** of receiving the Investigating Officer's report.
- 4.10 If the right of appeal is validly invoked, the matter will be reviewed **within 10 working days** by the whole Board, who must within that timeframe intimate its conclusion of the appeal to the complainant.
- 4.11 Whatever the outcome, the Board will review the issue of the complaint, the procedure of the complaint handling and the outcome and will intimate to the membership, in general terms only, the lessons learnt, and any changes proposed to be made as a result to the Constitution.