

Guidance for Downing College clubs and societies

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What is a “society”?

1. Very simply, a club or society is a group of like-minded people who gather together for a shared interest and want to recognise formally in some way that the group exists. In some cases, this is formalised through having a written set of rules to manage the society, and to manage any monies that the people collectively decide to accrue and spend.
2. A College student society (whether or not they use the name of the College in their title) is independent of the College. While the College may want to support or assist it in a number of ways, the society is a legally independent organisation. Most College societies will be an “unincorporated member’s association”, which means that its members are jointly responsible – legally and financially – for the activities of the society. Often, a society’s rules (or “constitution”) places more responsibility or accountability on its principal “officers” (e.g. Chair, Secretary, Treasurer).
3. Consequently, it is important for any College society to have clear rules about how it operates and who is a member. Depending on its activities, it also needs to consider its legal obligations around protection of personal data, health and safety, finance and tax, and insurance and liability. This document provides general advice on these and other matters for those who choose to run or manage a College society.

Legal status

4. Most College societies will be an “unincorporated member’s association”, which means that its members are jointly responsible – legally and financially – for the activities of the society. All members are jointly liable for any debts, complaints or legal claims brought against the society.
5. Consequently, it is very important for any College society to have a constitution that sets out the position of the liability of its members, not least to inform potential members of their responsibilities before they join the society. The constitution should also outline how the society takes steps to safeguard or mitigate its officers and members against liability and risk (and particularly for the person responsible for managing any finances – usually called the Treasurer). For example, you are advised to ensure that the constitution states that the Treasurer shall not be personally liable for any debt or other obligation of the society, except where they have personally authorised an expenditure or other financial commitment in writing.
6. The College’s main insurance policy will protect the officers and members of the society against possible financial and legal claims. However, this cover is only in place for a society formed with the knowledge and agreement of the College, and as such, must be registered with Downing College Amalgamated Clubs (DCAC).

Society rules (constitution)

7. You must have, and review regularly, a constitution for your society. The College may insist on this, in order for you to use its name and/or premises. You should also check with the College whether they require a senior member (Fellow) of the College to be the Senior Treasurer of the club or society, in order to provide continuity and a link to College advice and support. A society may not have a bank account without a Senior Treasurer.

8. If you are joining an existing society, ask for a copy of the current constitution and review it. If you are setting up a new society, you should ask the College (or another College society) for a copy of their constitution or a template constitution is available. Ask for several, and use the best or most appropriate wording.¹

9. A constitution should include the following headings:

a) the name of the society

If it includes the name of the College (or, indeed, the University) and any branding or logos, you should consult with the Senior Bursar to be aware of any copyright or trademark restrictions you need to abide by.

b) its purposes (aims and objectives)

Care needs to be taken to ensure that the aims and objectives do not unfairly discriminate against a range of protected characteristics (outlined in the Equality Act), including: national origins; race; religion; gender or gender identity; sexual orientation. If your society focusses particularly on any of these, you should consult the College about how to ensure you comply with anti-discrimination law and with any College policy.

c) the procedure for constitutional amendment

Any constitution should include a clear mechanism for its officers or members to propose, consider and approve changes to the constitution. This need not be overly-officious, but you will need to consider how many members/officers need to support a proposal in order for it to be discussed and considered and, when agreeing a formal change, who gets to vote, and how many votes must be cast in order to make the decision valid (a quoracy), as well as the method by which votes can be cast (in person, postal, proxy) and how they will be counted.

d) how often the society will meet formally to discuss business

It is standard practice for a society to meet annually to discuss the formal business of the society (often referred to as an annual general meeting), and at which formal elections are conducted/announced (see g) below) and at which financial accounts are presented or reviewed (see i) below). The constitution should make this clear and, depending on the complexity of the society, outline the (minimum) number of other meetings that will take place.

e) the eligibility for membership

You need to consider who will be allowed to be a member of the society (and possibly who will be allowed to serve as an officer), taking into consideration anti-discrimination points noted above. (Generally, it would be expected that any member of the College could join a College society.) You may also wish to consider whether there are different categories of membership, and what those different categories entitle them to.

Eligibility of membership may not simply refer to the characteristics of anyone applying: you also need to consider whether you will operate a nomination/approval process for new members or an automatic enrolment, whether membership is annual, for the duration of their time at the College or lifelong, whether membership is dependent on a financial subscription or commitment, and under what circumstances membership would be refused or rescinded.

¹ In addition, the University's Proctors issue guidance annually for University clubs and societies: this guidance includes a model constitution as a template, see <https://www.proctors.cam.ac.uk/>

f) the powers and duties of the officers and/or an executive committee

Depending on the size and nature of the society, you may appoint only one or two people to act on behalf of the society (e.g. Chair, Secretary, Treasurer) or, more widely and formally, appoint an executive committee of other officers to act on its behalf. You will need to outline the titles and roles of any appointment, and what delegated authority they have on behalf of all members to act. You may also want to outline the specific liabilities on each officer and how the society will support individuals (e.g. through liability or indemnity insurance).

Where decisions are made by an officer or an executive committee on behalf of all of the members, the constitution should make it clear the standing of the decision, and under what circumstances the members may challenge or otherwise over-ride the decision.

g) the procedure for election of the officers and/or members of the executive committee

You should make sure it is clear who gets to vote, how many votes must be cast in order to make the decision valid (a quoracy), the method by which votes can be cast (in person, postal, proxy) and how they will be counted (particularly if there are a number of candidates for a single role). The Electoral Reform Society (<https://www.electoral-reform.org.uk/voting-systems/>) provides clear and helpful advice on different possible voting systems.

h) the procedure for voting on other issues by members

Similarly, procedures for voting on other issues should be outlined (these may be the same as the procedure for constitutional amendments noted in c) above).

i) the arrangements for the management of finances and for audit

The constitution may wish to set out financial rules about how the accounts will be presented, and what levels of expenditure can be authorised by one or more officers on its behalf. It may also include constraints on the society to manage its resources (e.g. a requirement to maintain a specific sum of money in reserves). It should also outline who will audit the accounts of the society.

j) the level of subscriptions (if any)

Where you collect membership fees or subscriptions, it is prudent to include a written procedure for how the level of subscriptions is determined (i.e. at an AGM or by an executive committee). You should avoid including the exact amount of subscriptions within the constitution itself, as the procedure for setting the subscriptions otherwise will default to the (likely more formal) procedures for amending the constitution.

k) the arrangements for dissolving the club or society and disposing of any assets

You should set out a formal procedure for ending the society, particularly if no-one wishes to stand as an officer. The procedure may be different to other voting procedures if you wish, and it is normal to convene a specific meeting to do so. The constitution should outline what happens to any surplus funds or other assets of the society (e.g. whether it is returned in equal shares to current members, given to charity, gifted to the College etc.).

l) disciplinary process for members

You may wish to include procedures for how you would manage the behaviour (or rather misbehaviour) of a member of the society and the range of sanctions or actions you might take in response to this (up to and including rescinding their membership). The College can advise you on an appropriate process, but they would normally include three stages: an informal investigation, a formal process and decision, and an independent process of appeal.

m) complaints procedure

You should include a transparent procedure on how the society will consider complaints about the conduct of the society and/or its members/officers. The procedure should allow for ensuring an independent investigation of the complaint, and again would normally include three stages: an informal investigation, a formal process and decision, and an independent process of appeal.

n) external standards of professional behaviour

In some circumstances, you may wish to include references to external codes of conduct that you expect members of the society to adhere to (e.g. journalism, broadcasting, sports).

Financial matters: fundraising

10. There will be three main ways in which a club or society raises funds in order to pay for the costs of its operations: membership subscriptions, grants, and fundraising. If your club or society is of particular external interest, then you may be able to seek sponsorship from an external corporation, though this is only to be likely in a very few cases.

Membership subscriptions

11. As a membership organisation, it would be common for you to cover the costs of running the club or society through money raised by its members. The most straightforward mechanism for this is a membership fee or subscription. Where these occur, you are advised:

- to be transparent in your advertising of the club that a membership subscription (annual and/or life) is part of the condition of membership;
- to be transparent to your members what the subscription funds pay for, both in terms of direct benefits to them (e.g. access to facilities, discounted use etc.) and in terms of providing infrastructure: equally, it is important to be transparent about what is not included (e.g. where they need to provide their own equipment or resources; payment for attendance at events etc.);
- to have a clear procedure on how membership subscriptions are determined (see paragraph 9j above);
- to keep clear records of subscription liabilities and payments for individual members (see paragraph 19iii below);
- to have a clear policy on when subscription fees may be refunded, and on membership continuity if subscriptions are not paid.
- the academic societies may not charge subscriptions for membership. Academic activities should be financed via DCAC funds with society members financing social events when attending.

Fundraising

12. Whether or not you collect membership subscriptions, you may wish to ask your members to donate further to support the costs of running the club and society. This is perfectly acceptable, but you should always be clear on what the additional donations will be used for, and ensure that they are only used for those donated purposes.

13. Please note that a “donation” differs from a “subscription”, in that members may expect specific personal benefits or entitlements resulting from a subscription, but not from a donation.

14. You may wish to consider approaching alumni or external people for funding or donations. Where this is a possibility, you must discuss your plans with the Senior Bursar and the Director of Advancement, both because of its potential impact on the reputation of the College, but also because there are a range of complex legal and financial matters that you would need to take into consideration.
15. The College subscribes to the Fundraising Regulator and as such signs up to a code of practice in fundraising. You are not bound by this code of practice, but there is a range of advice and guidance (and explanation of the law) that you might find helpful. This can be obtained at <https://www.fundraisingregulator.org.uk/wp-content/uploads/2016/06/Code-of-Fundraising-Practice-v1.5-18102017.pdf> and the most likely relevant sections are sections 6 (direct marketing), 7 (telephone), 9 (digital media) and 20 (handling donations).

Sponsorship

16. Sponsorship involves securing the support of a corporate or commercial organisations, where they would usually provide you with funds and other support in return for publicity or some form of ongoing relationship. Sponsorship deals will involve a formal legal contract and you must to seek advice from the Senior Bursar and Director of Advancement prior to entering into such an arrangement.

Financial matters: accounts

17. It is most likely that the society's financial systems are simply enough for its officers to operate a manual accounting system, recording income and expenditure on a simple spreadsheet. More complex societies should seek advice from the College Bursary.
18. Otherwise, there are some financial procedures which the society must operate to be legally compliant. These are:
 - a) Society funds must only be used for purposes consistent with its purposes, aims and objectives outlined in its constitution.
 - b) Any bank accounts must be in the (full) name of the society, as noted in its constitution and the details provided to the Bursary and DCAC.²
 - c) Cash and chequebooks (or online banking apparatus) must be held securely.
 - d) Cash and cheques received must be banked promptly.
 - e) The society must designate authorised persons to manage the bank accounts (in its constitution), and provide signatures to the bank. It must keep these up to date. The Senior Treasurer must be one of the signatories in order to provide continuity between society officers and handovers, and over the Vacations.
 - f) The society must keep a register of its other assets (e.g. equipment) along with an estimated value of each item.
 - g) Annual accounts should be prepared (see below) and stored for seven years. This means a review of all income and expenditure, with a reconciliation of all purchases against the aims and objectives of the society.
 - h) Annual accounts should be reviewed (audited) by an independent person.

² If you are setting up a new club or society (or setting up a new bank account), you are strongly advised to consult the College Bursary, which will be able to help you identify the most appropriate banking facility and/or most favourable rates for your purposes.

19. While not required, a number of other practices are recommended:

- i. When you pay monies into a bank (or make withdrawals), you should record the dates independently, either on a spreadsheet or a “receipts and payments” book. For cheques, you should also record the cheque number.
- ii. You may wish to consider a separate register of membership fees and subscriptions, recording alongside it the category of membership and the date of expiry of the membership fee. Start with a new list every (financial) year.
- iii. You shouldn’t mix income and expenditure (i.e. keep cash in and cash out separate).
- iv. The Society should not hold petty cash and any cash received should be banked promptly.
- v. Payments and expenditure should be made by cheque or bank transfer (for a more transparent record). You should consider only making such payments in response to a formal invoice from the recipient (and record the invoice number against the payment when it is made).
- vi. Proper records of any other assets held by the society should be kept. Purchases of assets (e.g. computers, equipment) that will last for longer than a year may be spread over the lifetime of the equipment, please consult the Assistant Bursar (Finance) for advice.

20. In preparing annual accounts, the Treasurer should:

- i. reconcile any record of income and expenditure against the bank statements;
- ii. review the asset register and ensure it is correct and up-to-date;
- iii. set aside any financial transactions that actually apply to other years, making a careful note of these;
- iv. complete a set of annual accounts: the College Bursary should be able to provide with advice on an appropriate template to use;
- v. have the completed accounts checked (audited) by someone else and submitted to the Senior Treasurer of the Amalgamated Clubs by 1 October.

Financial matters: tax

Value Added Tax (VAT)

21. As the society is a separate legal entity to the College, for VAT purposes, they are not covered by the College’s VAT registration. The society is treated as a separate business for VAT purposes.

22. VAT becomes important if the society provides goods or services as a trade (some potential examples are: selling tickets for events such as a play, concert or May Ball; providing a service for money or fundraising). It only becomes relevant if your turnover exceeds a threshold value set annually by the HMRC. The threshold for 2017-18 is £85,000 and you can check this threshold at: <https://www.gov.uk/vat-registration-thresholds> Member subscriptions do not count towards the threshold if no services or benefits are provided to the member from the subscription but if the subscription brings benefits, the subscription will count.

23. If your society is likely to exceed this threshold income, you will need to register with the HMRC for tax purposes. It would mean VAT should be charged for goods and services the society provides, including potentially subscriptions. Your College Bursary should be able to provide you with further guidance.

Corporation tax

24. Corporation tax is paid on profits if an entity is trading with a view to profit. These will be profits that are the result of income generated other than from membership fees or subscriptions (e.g. from trade, or from selling assets where the intention is to make a profit). If you are liable to pay corporation tax (i.e. if you are not non-profit-making), you must register with the HMRC: again, the College is not liable on behalf of the society. See <https://www.gov.uk/corporation-tax> for further details.
25. All clubs and societies (whether not-for-profit or otherwise) must pay corporation tax on interest or investment income. HMRC departmental policy, however, is not to request tax returns where the tax liability is <£100 (*source*: COTAX Manual section COM 23110 updated on 24 May 2017).
26. Corporation tax, therefore is highly unlikely to apply to a club or society, unless the club is either very large or has substantial assets.

Charity tax benefits

27. In some circumstances, the society may qualify also to be a charity. There is not a specific registration to be a charity (unless the society's income is high enough to come to the attention of the Charity Commission. In order to be a charity, the society's purposes (as set out in its constitution) must in totality be exclusively for charitable purposes and for the public benefit. Definitions of these can be found on the Charity Commission's website: <https://www.gov.uk/setting-up-charity/charitable-purposes>
28. If you consider yourself to be a charity, please consult the Assistant Bursar (Finance).

Legal restrictions on society conduct

Health and safety: insurance and liability

29. As a separate legal entity, you are responsible for ensuring the health and safety of members/officers of the society when they are engaged in the normal activities of the society. Your responsibilities should include the creation and regular review of appropriate risk assessments, the number and extent of which will depend on the nature of the society's activities. The Operations Manager should be consulted and provide you with appropriate templates to conduct risk assessments.

30. Examples of activities which may benefit from risk assessments include:

- physical activities, particularly if there is a risk of injury;
- any activities conducted above ground level;
- activities that may engage or impact on non-members of the society;
- use of electrical equipment (which should anyway be checked annually for safety);
- lone activities under the auspices of the society.

College policies on events held on College premises

31. It is highly likely that most, if not all, of a society's activities will take place on College premises, or otherwise using College facilities, e.g. Prevent, Events Booking Procedures, PRS, PPL. You will be expected to be aware of, and abide by, any College policies relating to events on the Domus or elsewhere, which will also include the Colleges' legal responsibility to uphold freedom of speech. You should familiarise yourself with relevant College policies.

Disability: reasonable adjustments

32. In addition to ensuring that the society guards against improper discrimination, there might be additional responsibilities on a society to make "reasonable adjustments" to enable members (and others) with specific disabilities or needs to engage fully with the society's activities. Information and guidance is available from the Academic Registrar in the first instance.

Public performances

33. There are a number of constraints around public performances: by law, no performance can be conducted without a licence having been granted by the City Council. Non-compliance may result in a fine, which the society (and not the College) would be liable to pay. The College holds a Premises licence which covers the majority of activities on the Domus. If you are planning a performance which members of the public may attend, then you should consult the Operations Manager beforehand to ensure that your event will be covered by the College Premises licence.

Safeguarding: interacting with children or adults at risk of abuse or neglect

34. There are strict and extensive legal guidelines where a society may interact with children or adults at risk. If your society does intend to have contact of that nature, it must discuss its intention with the Academic Registrar, who will be able to explain the College's own safeguarding policies and guidance, and provide further information. The society may, for example, need to carry out Disclosure and Barring Service (DBS) checks on individual members.

Employment law

35. Where staff are employed by, or work for, the society (either paid or unpaid), all steps must be taken to comply with statutory regulations regarding right to work, income tax, and national insurance. This includes where the College (rather than the society) pays people on the society's behalf. You should consider whether a contract of employment is necessary, and whether matters such as sick leave and holiday pay have been considered. Advice can be obtained from the Assistant Bursar (Finance).

Data protection and information security

36. With the introduction of the EU General Data Protection Regulation (GDPR) and a new Data Protection Act in May 2018, the legislation around the protection and management of the personal data (i.e. information about living individuals, in any format) of others has undergone significant change. Both legislative acts will remain in force post-Brexit.
37. The legislation sets out important principles and rules about the ways in which **personal data** must be handled. It also outlines an individual's rights to inspect and correct any data that an organisation might hold about them, as well as other rights on what the organisation is permitted to do with the data. College societies are not exempt from data protection legislation and will be expected by the Information Commissioner (the UK's regulatory body for this area – www.ico.org.uk) to comply with the law. The society does not have to be registered with the Information Commissioner in order to fall within their purview.
38. Consequently, you are responsible for the handling of the personal data of your members (and any other people on which you hold data). In order to manage the data effectively, you will need to consider and document:
- what personal data you hold;
 - what you hold it for;
 - where you store it;
 - how long you keep it; and
 - who you might share it with.

The Office of Intercollegiate Services has produced some “data audit templates” that may help you to do this (as well as other resources referred to below).

<https://www.ois.cam.ac.uk/resources-for-colleges/data-protection-resources>

39. The Office of Intercollegiate Services has also produced a brief summary of the requirements of the GDPR (see under “Other information and resources” at the website given above), which you may find useful to read to understand the responsibilities of the society.
40. The most important points to note are:
- a) The society will need to produce a **data protection statement** for issuing or communicating to its members and others. This should be provided to members at the point and which they join the society and otherwise be readily available. The data protection statement must include a range of statutory information, and a template for use by the society is provided on the Clubs and Societies site.
 - b) For reference, it is important you establish what your **legal basis** for processing personal data is. While there are a number of these, it is most likely that you will either rely on consent from your members (which must be proactively provided – “opt-in” for **any and all** data processing), or otherwise that it is in the society's legitimate interest to process the data in the way you describe. This is outlined in the draft data protection statement template.

- c) Where you **share personal data with others** (the most likely being the College, but might include using a third party company to manage tickets sales, society mailings etc.), you need to have a written contractual agreement that outlines clearly the respective roles and responsibilities of both parties. Draft Data Sharing Agreements for use when sharing data with the College or with other third parties are available. The society will also need to ensure its officers (and members more widely) understand how to **keep personal data secure and private**.

For example:

- You should not make contact details of members widely available (or share them with others, including the College) unless it has been clearly outlined to members in advance that you will do this, and they have been made aware of how they might discuss with you any concerns they have about you doing this;
- You should not use the personal data you hold for any reasons other than those you outline in your data protection statement, without either informing your members (if you are relying on the society's legitimate interest) or by seeking additionally their consent for the supplementary processing;
- Officers and members should consider carefully what password protection surrounds their records, and what security is put in place when that data is transferred from one place to another (e.g. by email).

- d) The officers need to be aware of their legal obligations of informing the Information Commissioner if there is a **breach of data security** that includes personal data, or if personal data is accidentally destroyed beyond recovery. Further guidance is available from the Information Commissioner about your legal duties: <https://ico.org.uk/for-organisations/report-a-breach/>
- e) If the society works with people or organisations overseas, personal data should not be transferred outside of the EEA without the member's explicit consent. (There are other lawful ways of transferring data abroad, but this is the most straightforward way for a society to do this.)

41. Full details of the legislation, and the UK application of it, are available on the Information Commissioner's website at: <http://www.ico.org.uk/>