

The Charitable Incorporated Organisation (CIO) Consultation on the new corporate form for charities Office of the Third Sector and Charity Commission

A response from the National Council for Voluntary Youth Services (NCVYS)

December 2008

Introduction

1. The National Council for Voluntary Youth Services (NCVYS) is the independent voice of the voluntary youth sector in England. A diverse network of over 170 national voluntary youth organisations and regional and local youth networks, NCVYS has been working since 1936 to raise the profile of youth work, share good practice and influence policy that has an impact on young people and the organisations that support them.
2. The NCVYS network reflects the diverse range of voluntary organisations working with young people at community, local, regional and national level. Most of our members offer opportunities to engage in challenging activities or develop creative talents. They also support young people to become active in their communities and offer opportunities for their voice to be heard. Some offer interventions to prevent or tackle specific issues such as homelessness or offending behaviour. Others offer counselling, advice, guidance and information. All contribute to young people's personal and social development; some also engage with spiritual development.
3. For more information on any element of this paper, please contact NCVYS's Policy Officer, Hannah Dobbin on 020 7278 1041.

Key comments

4. NCVYS welcomes the opportunity to comment on the Charitable Incorporated Organisation (CIO) joint consultation by the Office of the Third Sector and the Charity Commission. This response focuses on the main issues within the consultation that are pertinent to the voluntary and community youth sector.
5. The Charitable Incorporated Organisation (CIO), when operational, will become one of four options available to organisations who want to be registered as a charity. NCVYS welcomes any changes that reduce bureaucracy within the sector, especially in this case when the new status is being established for charities only.
6. NCVYS welcomes the establishment of CIOs, as these will only need to make returns and account to one body unlike the present case where charitable companies make returns to both Companies House and the Charity commission. Any such streamlining of reporting and reduction in bureaucracy is of benefit to the sector.
7. With regards to the age of trustees, in 2004, the Charity Commission¹ stated that:

Broadly a charity can take one of three legal forms – a company, a trust or an unincorporated association. The directors of a charitable company are its charity trustees. There is no restriction upon young people under the age of 18 being company directors – the test is whether the person understands their duties and responsibilities. The trustees of a trust or of an unincorporated association are in a different position because the law specifically states that a person under the age of 18 cannot be a trustee of this type of organisation.

For some youth organisations it will often be appropriate for young people under 18 to be on the board, and the Commission is supportive of the wishes of youth organisations who wish to have some people under 18 on the board to ensure appropriate user representation.

8. NCVYS believes that the Charity Commission's statement is still valid and supports having no restrictions upon young people under the age of 18 being charity trustees of CIOs. All moves that contribute to reducing barriers to participation by young people are welcomed. This is important for organisations that work with young people as the engagement of young people as members of a trustee board can be beneficial to both young people and the organisation as a whole. Young people have the opportunity to learn new skills and gain self-confidence and organisations can ensure that young people, their key stakeholders, are fully involved in the strategic planning and decision-making of the organisation.

The National Council for Voluntary Youth Services
3rd Floor, Lancaster House, 33 Islington High St, London , N1 9LH
T: 020 7278 1041 F: 020 7833 2491 W: www.ncvys.org.uk
Registered charity no. 1093386
Registered company no. 438538

¹ Statement from the Charity Commission can be accessed via:
<http://www.charitycommission.gov.uk/supportingcharities/under18scc30.asp>