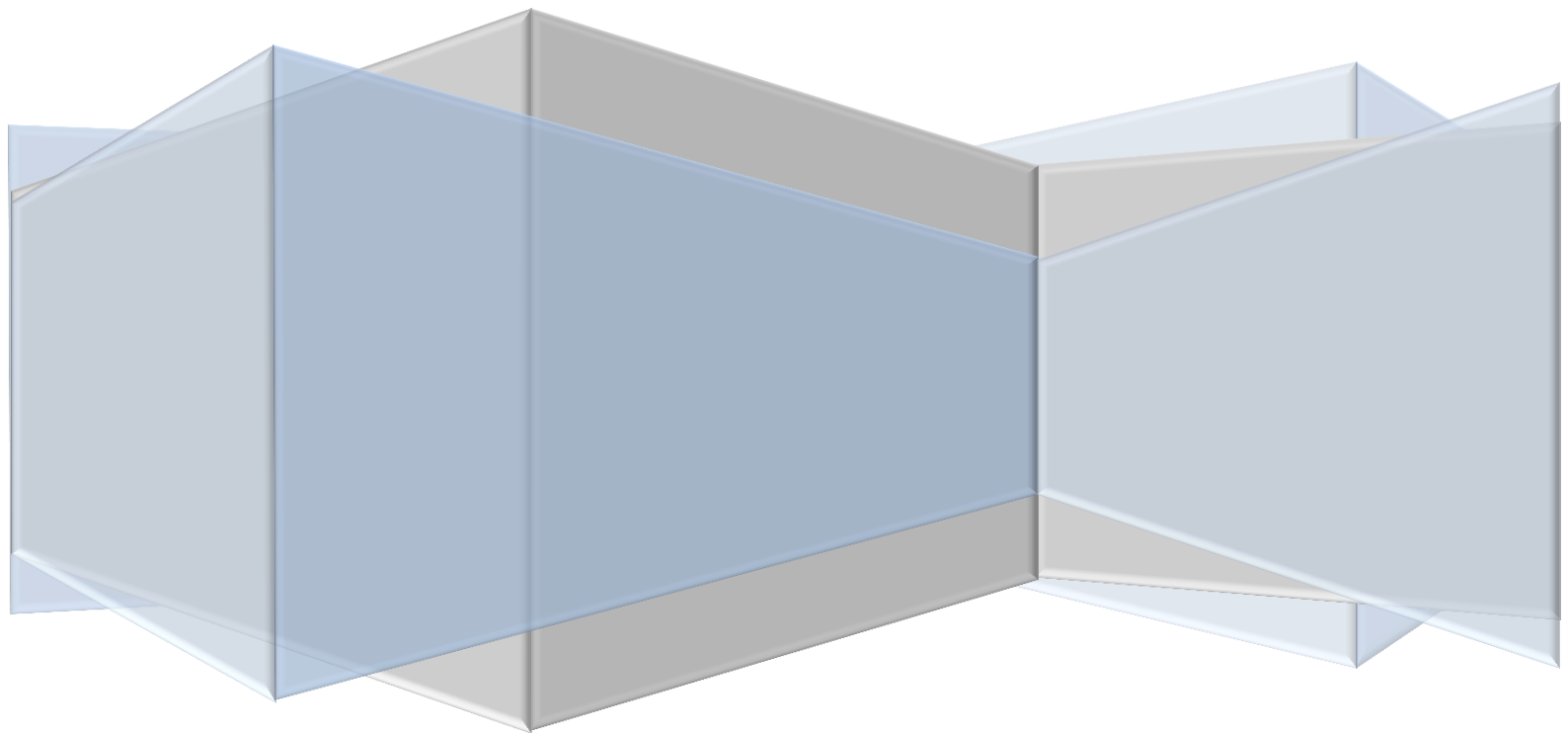




Havering
LONDON BOROUGH

THE GOOD GROUP GUIDE



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SECTION 1

INTRODUCTION

This document has been created to guide new groups or organisations and act as a motivational tool for existing groups in their planning and developing.

Individuals thinking of starting a new group and very recently formed groups may also find the 'Getting Started' guide helpful and can also speak with someone within the LBH Corporate & Community Resilience Team, before reading this guide.

If you want to set up an organisation, and especially if you intend to raise and spend money, then you need to be properly organised. Why?

- Funders will not agree to grant you funding unless you are properly organised;
- Because your group will be responsible for its activities and the money it spends, there needs to be procedures in place to ensure everyone is clear about their responsibilities.
- So that the project can be run more efficiently, and the money is spent appropriately.

When you set up a group you need to work out exactly what you want to do and how you will do it. This involves setting out formally, the objectives of the group, as well as the rules - such as how to elect your committee and accept new members. You will also need to plan your activities and possibly prepare for a time when you may need to establish an office base and eventually employ staff.

The following chapters of this guide will help you through this process; they are not exhaustive on all of the issues that your group may face but intended to offer guidance and help to assist you.

Some model policy documents are also available on the LBH Voluntary & Community webpage, but it is advised that you use these only as a guide to enable you to develop your own. It is important that your committee members fully understand the need for policies, including your legal obligations when developing such policies. Help is available within the LBH Corporate & Community Resilience Team to guide you through the processes and advise on which policies are likely to be needed, but your committee must take responsibility for developing your documents and operating within their requirements.

The London Borough of Havering and the Voluntary Sector organises courses to assist community groups and organisations with most of the aspects covered within this guide as part of our commitment to building the capacity of the voluntary sector. These courses are available to all within the borough, some will be free and others offered at a small charge and can be found on the LBH Voluntary & Community webpage Training section.

It is hoped you will find this guide useful. Your comments are always welcome and will help us to continue to make improvements to ensure we are aware of and meeting the needs of the voluntary and community organisations within the borough of Havering. Please use the online Community Enquiry Form for any comments vc@haverling.gov.uk

SECTION 2

THE FORMAL FRAMEWORK FOR YOUR GROUP OR ORGANISATION AND THE GROUP'S DOCUMENTS

When you set up a group, there are two formal things you should have in place:

- A Governing Document
- A Committee

GOVERNING DOCUMENT / SET OF RULES / CONSTITUTION

You need a Governing Document

- So that everyone knows exactly what your organisation aims to do;
- So that everyone knows how your organisation will be run;
- So that everyone knows who is responsible for running your organisation;
- To apply for money to run your group – Grant giving organisations will usually give money to your organisation if they are confident it will all be accounted for and spent properly.

The normal type of governing document for a small group is a **constitution**. A constitution sets up an *association* - a group of people who come together, democratically, with a specific aim. This group of people (members) will decide on a committee, and the committee will then be responsible for running the organisation. Members can elect a new committee regularly – usually once a year at the AGM.

Remember... once your group has agreed your constitution, **it is a legal document**. The committee, not the members, will be personally responsible for making sure the rules are followed.

What is in a constitution?

Your constitution will firstly tell everyone what your group is called, and what it aims to do. In a constitution the aims are known as 'objects'.

The objects are the most important part of your constitution, because they will say what your overall aims are. Objects are not simply a list of your activities - there is an important difference between objects and activities.

- Your objects are your overall aims. To identify these, think about the overall need. What does your group want to achieve or improve?
- Your activities are more straightforward – these are the specific projects or services you want to set up, in order to achieve your aims.
- For example: you want to set up an after-school club for children. Your activities would be 'provision of an after-school club'. However, this is not your object – your overall aim or *object* would be something like '*to advance the education of children under the age of 16*'.
- If you are working in a specific area, this also needs to be in your objects. It is a good idea to add 'and the surrounding district' to your geographical remit, in case you attract members from outside your immediate area.
- Remember that the constitution should be seen in the long term – so the broader your objects are to start with, the more flexibility you have to take on new initiatives in the future.

If you want to register as a charity, then the Charity Commission will look carefully at your objects to make sure that what you want to do is charitable. For more details on what objects are charitable, please go to the Charity Commission web site:

<https://www.gov.uk/government/organisations/charity-commission>

Groups will be required to have a minimum of £5000 in their bank accounts to be able to register as a charity.

Your constitution will also set out more general rules, most of which usually apply to any group. The rules, which need to be included, are:

- **Powers** – what you can legally do to carry out your activities - for example, by raising money or hiring a building, employing staff, holding assets.
- **Membership** – who is eligible for membership, how people become members, and how people are disqualified (your group may have special rules on who is eligible to be a member).
- **Committees** – how and when the committee is elected and which specific jobs need to be filled.
- **Annual General Meeting** – once a year your organisation will have a meeting for all its members when the committee is elected and the annual report presented.
- **Finance** – rules on preparing annual accounts.
- **Changing the constitution** – the procedure for altering any of your rules – this should be at a general meeting with an overall majority.
- **Dissolution** – the procedure for closing down your organisation.

How do we adopt our constitution?

Once you have your constitution, you need to have a meeting where the committee members agree it, sign and date it. You must also take a formal record ('minutes') of this meeting. When this is done, the constitution is then officially 'adopted', and this means it is a legal document. From then on your group *must* be run according to what the constitution says. So for example, if you want to elect a new committee member, or if you want to change the constitution itself, you have to follow the rules of the constitution. When you have adopted your constitution, file it away carefully. When you apply for funding, or if you want to register as a Charity, a copy of the signed constitution will need to be presented. Important documents like the constitution and minutes of meetings should be filed away separately.

MODEL CONSTITUTIONS

Constitutions look very complicated at first glance, because of all the administrative provisions. However, model constitutions are available, and the Charity Commission has their own model constitution, which is available to groups as a starting point. A model constitution is also available on the LBH Voluntary & Community webpage within the Governance section.

A model constitution contains all the standard parts such as procedures for elections, altering the constitution, dissolution, and so on. With a model constitution you only need to insert the name of your organisation and the objects, and include any specific rules for your group (for example, you may have specific rules over who is eligible for membership). However, you need to carefully read through the administrative provisions (election of officers, etc.) and make sure you are fully aware of their implications for your group. If you intend, in time, to become a Registered Charity it is recommended you use the Charity Commission's own model constitution as a basis for your own, rather than write your own from scratch. The content and the layout will be more likely to meet with their approval, provided that you follow the guidelines of which parts to leave in and which are safe to remove if they do not apply to you. Please take time to read and understand the document as it you will save yourselves a lot of time and work for the future.

INSURANCE

Organisations may require some form of insurance. For all organisations that undertake activities and events that involve volunteers and members of the public, it is essential to have public liability insurance. This will cover committee members, volunteers and staff for injury, loss or damage caused to any person as a result of an organisation's negligence. If your group is renting the use of meeting space, then it is likely that the owner of the building will have public liability insurance which covers your group's activities while you are meeting. You should check that this insurance covers you when you enter a contract to rent/hire. Other forms of insurance may be necessary: if your group is an employer or intends to become one, then the organisation must have Employers Liability Insurance; if operating vehicles - Road Traffic Insurance; if leasing or owning Property - Buildings and possibly Contents Insurance; if providing services and advice to the public - Professional Indemnity insurance. Some organisations may also wish to provide Trustee Indemnity Insurance.

For further information you can download from the Charity Commission's website (see above) their briefing CC49 Charities and Insurance.

POLICIES

Equal Opportunities

Most funders now require organisations to have a written equal opportunities policy and evidence that this has been implemented. By this they mean that the organisation has fair employment and management practices which do not unfairly discriminate against people on the grounds of ethnicity, gender, disability, sexual orientation and age and that the organisation actively ensures that the services and activities it provides do not discriminate either. An equal opportunities policy should have four components: a policy statement committing the organisation to combat discrimination; the organisation's objectives concerning equal opportunities; procedures and a programme to implement the policy; and monitoring and review processes.

Equal opportunities should not be seen as separate to your organisation's main plans but as an integral part of those plans. It does not just mean providing the same service to everyone regardless of their race, age or gender. It **really** means making sure that you have thought about the needs of everyone and planned accordingly, not just those who have approached you or those who make the most demands. You must ask yourselves the following questions:

- Are we reaching all sections of our target community?
- How do we know this?
- Do we keep relevant records that will tell us who we are reaching?
- Can we tell from these *who* we are not reaching? And why?
- Are we able to provide statistics to help us make appropriate plans?
- What do they tell us?
- If we are not reaching everyone we should, what will we do about it?
- Do we really welcome everyone?
- When they arrive do we make all people feel welcome?
- If not why not and what will we do to change this?
- How do we deal with members who express views that contravene our policy?
- Do our members understand what our equal opportunities policy is?
- How can we help them to understand?

Equal opportunities should be a part of everything you do

If you are planning an outing or event do you simply allow those who book first to attend or do you ensure you have reached everyone with your information or is it always the same people who come? Why?

- Are some people unable to pay the cost?
- Are some people unable to read the posters or letters you send?
- Do some people never hear because information is only passed by word of mouth? This can lead to favouritism and exclusion. Your committee must be fair and open and so written notices provide records of your publicity and can be referred back to later and perhaps reviewed in response to events.
- Does the activity appeal to everyone? – perhaps you might ask people's opinion and plan something else next time.
- Do the activities clash with religious festivals – meals out during Ramadan; days out planned for Good Friday, for example?
- Is the activity appropriate for everyone?
- Do you make allowances for child care needs – are siblings invited? If not what do you expect parents to do with the other children? – you are not expected to cover every eventuality but you should ask yourselves if perhaps your rule about a parent always being present could be adapted to allow one of the other parents to also take responsibility of a specific child whose parents cannot be there.

Sensible planning with sufficient time to explore all of the above is the best way. When you do not take time to plan this compromises your group and can lead to inequalities. Monitoring and evaluation of your projects and activities can tell you a great deal.

- Is the project working as we planned?
- What is missing?
- Who is missing?
- Why?

Your records should be able to tell you enough about your members to enable you to evaluate whether you are meeting their needs and also whether certain sections of the community are missing from your membership lists.

Some people worry that they may appear too intrusive when taking details from their members but if it is explained that you want to know enough about them to be able to judge whether you are meeting all of their needs and the needs of the wider community, this will enable you to judge and plan effectively in the future, you will find people much more understanding and cooperative.

Don't be afraid to ask people about their culture and religious practise. You will be enriched by the diverse nature of experience and knowledge your members can share - given the chance. Knowledge of other people's culture helps us to value diversity and removes the barriers that might have prevented some people becoming your members.

Health & Safety

You have a duty to ensure that anyone who attends your meetings or events remains safe and does nothing that will endanger the safety of others. You also have a duty to protect your own safety.

The details of your health and safety policy will very much depend upon the nature of your activities and the places where they take place. You may be an embroidery circle in the local school hall or you may teach canoeing on the local river – the differences are obvious but the underlying principles remain the same.

Stay safe and ensure others do the same.

To do this you need knowledge. You must have an understanding of the possible issues. Group leaders planning any activity should make an assessment of the risk and be adequately trained to do this and to carry out the activity. If you are not, then you must involve someone who is and has the relevant qualifications to safely lead the activity. You must ask for evidence of their qualification and it is wise to keep copies of certificates etc. for your records. Any person working with vulnerable people or children must have first undertaken a Disclosure and Barring check (DBS) to ensure suitability, (previously known as a CRB check). This may take some time but is never the less something on which you should not compromise and is an important part of your planning process. (There is more information about this in the next section Child / Vulnerable people protection policy).

Personal Safety

Consider personal safety at all times. It is your responsibility to ensure your activities are carried out to ensure everyone's safety, but your committee may need to introduce its own rules according to the type of activities you intend to do.

It is unwise to publish your private address on publicity material – perhaps you can use your meeting place address for correspondence or that of the parent body if you are a branch of a large organisation. It is also unwise to publish full names alongside telephone numbers – a first name is usually sufficient. Unless you are very familiar with all of the people taking part it is advisable not to hold events at your home address.

If part of your activities includes one to one work – for counselling or confidential interviews etc., always ensure there is someone else in the building who is aware that you are alone with someone (consider the separate section about protection of vulnerable people when planning such activities). Arrange an exit strategy in advance:

- May ask this person to interrupt you when the time is up or to simply pass by occasionally to ensure all seems well
- Consider the installation of panic buttons
- Always ensure you sit closest to the door
- Do not allow yourself to be trapped between the person and the door, plan the layout of the room well.

If your work takes you out to meet people at other places ensure you advise someone of the full details of the address and your expected times of arrival and departure. Try to avoid being alone in the home of someone you do not know – they may also feel uncomfortable about you being there. Consider the use of telephone passwords for those in need of immediate help so that a call where a particular word is used will trigger an action plan to provide immediate help. Telephone to let your colleagues know when you are going straight home to ensure the visit has ended safely.

The Suzy Lamplugh Trust has some very good publications at reasonable prices that provide further information on these issues. Contact: www.suzylamplugh.org Tel: 0207 091 0014

If you do not own or manage your own premises, the place where you meet should have its own health and safety policy and you should familiarise yourself with this so that you act accordingly, especially in an emergency and so that you can make your own additions where necessary. Any activities you plan must not contravene these rules. E.g. you may not be allowed to use your own electrical appliances – kettles, heaters, craft equipment etc unless it has been checked and passed as safe. Also, too many appliances may overload the electrical system and cause it to cut out, especially in an old building. Materials you use may need special ventilation – certain glues etc. Make sure that your insurance policy covers you for all the activities you have planned. Think your plan through thoroughly. Consider the risks

and balance these against the benefits before making a decision. What can you do to minimise the risks? Seek expert advice whenever you are not sure.

You should understand fire safety rules and not compromise these when holding events – some are common sense but some things require training. Your local fire station staff will be happy to advise you on the best policy for your building or activity.

Some things to consider are:

- Do not block fire exits internally and externally
- Do not prop open fire doors
- Close all doors as you leave
- Know and follow rules about smoking and ensure your members do so
- Find out the safe maximum numbers of people allowed in the space available and ensure you do not exceed this
- Know what the fire alarm sounds like – can all of your members hear it – do you need special measures to allow for this? Building managers must familiarise themselves with the requirements of the Disability Discrimination Act.
- Hold regular fire drills – it is the responsibility of the managers of the building to ensure they test the fire alarm regularly but you must know when this is and be sure your members know what to do in the event of the alarm being activated outside of this time. You should have an action plan.
- Hold your own regular fire drills to test your plan – remembering to review the success or otherwise afterwards
- Know who, in the building you are responsible for and where they are – have a register or signing in book and make sure it is used EVERY TIME. **Sign in and sign out!**
- Nominate someone (and a deputy) to take the book with them when the alarm is activated
- Unless it happens at the regular test time and in the usual way for a test ALWAYS assume the fire alarm is for real and keep to your plan – don't waste time wondering if it is a drill – act.

As part of the above plan you should consider your actions in the event of a bomb threat or the discovery of a suspect item. The local Community Police Officers will advise you here when drawing up your plan. They may have a code word system or special telephone numbers for you to use. Some groups may feel more vulnerable in this respect than others, but everyone has a duty to be vigilant.

Telephone Help Lines

Many organisations recognise the need for this service but great care should be taken in the planning and design of your service and training given before you begin. There are certain ways of working that can be very useful to ensure a good, safe service is given.

The Telephone Help Lines Association is recognised as being the main source of specialist information relating to the setting up and running of non-profit help lines in the UK and has detailed information about over 1000 services. They are the lead provider of advice, consultancy and training on matters relating to the provision of quality helpline services. Contact them at: www.helplines.org.uk or info@helplines.org.uk Tel: 0300 330 7777.

PROTECTION OF VULNERABLE PEOPLE

It is very important that all of your members are aware of the need to protect vulnerable people. According to age /ability /disability the potential for harm will vary and will also vary according to the activity planned. Remember the need to ensure that those people working in whatever capacity, with vulnerable people (paid and unpaid), must have undertaken a Disclosure and Barring check (DBS).

This is no guarantee that a person who has been DBS checked will not harm someone, but it is a means of identifying those who have done so in the past or aroused enough concern for others to believe that they might do in the future.

The adoption of sound policies, known and understood by all, and carefully enforced, will help to protect your members and your committee. The Corporate & Community Resilience Team can show you model protection policies and help you to develop one that will best suit your needs, but it is essential that your committee is fully involved in the writing of your policies as you must **own** the document and be committed to ensuring it is followed.

SECTION 3

COMMITTEES - PRACTICE & PROCEDURES

Roles and Responsibilities of the Committee

- Groups are advised to have an elected committee of members.
- The committee is the body that manages the local group. If there is no committee, nothing gets organised, organisers get no support; the group becomes the good work of just one individual; no account is taken of the needs of members.
- The election of the committee ensures accountability to the members of the group.
- The committee, not just the officers or indeed individual committee members, are corporately responsible for everything that is done in the name of the group.

The Functions of the Committee

- It ensures that the aims and objectives of the organisation are met.
- It ensures accountability to members, users, funders and the wider community.

Conduct of Committees

- The committee takes corporate responsibility for everything the group does. This means that no one person makes decisions about the way the group is managed or run.
- The committee as a whole decides on the actions to be taken. Once agreed upon, either by consensus or if necessary a vote, then the whole committee are committed to, and party to, that action.
- The committee is responsible for ensuring that the group acts within the remit of your constitution or your set of rules, guidelines and policies.
- In short, the committee is accountable to the group's members for the conduct of the group and its activities.
- The committee is collectively responsible for **managing** the financial affairs of the group, for approving the financial statement of the group, which is then **presented** to the membership at the AGM.

Size and Role of Committee

- The group may decide on the size of its committee. We would suggest a minimum of five members (including officers) to allow for a spread of duties and accountability, and which makes allowances for ill health, etc.
- In general, a committee should be large enough to cover all the tasks needed to run a group, but small enough to be able to make decisions swiftly. If there is a large committee, it is sometimes desirable to form a smaller executive who can meet and make urgent decisions in-between committee meetings that can then be taken to the full committee for ratification. If this system is adopted, it is important that clear guidelines are laid down about how the executive functions. It must not, for example, be used to make all decisions without reference to the full elected committee.

Officers of Committee

- The key positions on the committee are Chair (or Group Leader), Secretary, and Treasurer. It is possible to exist without one of the above but it can cause operational problems.

The Roles of Individual Officers

- It is advised that at your first meeting, the incoming committee should nominate a Chair, Secretary and Treasurer. These officers are necessary for the smooth running of the group and to ensure the continuous good management of the group
- If, for unforeseen reasons, the committee is without one of these key officers, it is not unconstitutional, but it does complicate the group's organisational structure.
- To operate without one of the key officers in the long term is not best practice in the voluntary sector as it denies the accountability of the group's leadership to its members and members' proper control of their group.
- However, this situation can arise and one way around the problem is for each officer's responsibilities to be divided.
- The committee could, if it felt appropriate, operate as three teams:
 - Chair and two Vice-Chairs, one for welfare issues and one for information
 - Secretary, Minutes Secretary and Events Secretary
 - Treasurer, Subscription Treasurer & Fundraiser.
- Such an arrangement would also allow for other members of the team to cover, in the short term, the essential work when one committee member is incapacitated for whatever reason.
- Officers may also wish to explore non-traditional ways of conducting group business, in order to empower committee members who are not always able to attend meetings, because of illness, disability or family commitments. For example, it is now possible to organise telephone conferencing, round-robin letters and even conferencing via the internet or social media tools.

Chair's Role

- Planning and running of meetings; to draw up an agenda well in advance, to start the meeting on time (indicating the intended finishing time), to ensure that a quorum is present and the meeting is conducted in accordance with the constitution.
- To ensure the smooth progress of the agenda whilst being sure everything is covered; to ensure that the discussion is kept to the point and to sum up the decision arrived at under each heading to try to keep to time (1-2 hours is about right). It is better to defer an item rather than make a hurried decision if a time limit has to be imposed.
- To chair the meeting; to exercise tact and diplomacy and to keep order; to help the group create a climate where differences of opinion can be heard and discussed and to help the group to deal with conflict; to ensure everyone has the opportunity to speak and take part in decision-making.
- After the meeting: to ensure decisions are carried out and the workload is shared, and praise and thanks are given when due.
- To be willing to lead by example, by showing enthusiasm and by offering to organise specific events or to take responsibility for a particular task. At the same time, to be prepared to delegate so that the committee is not seen to be a one-person show.
- To ensure that plans and priorities are adhered to.
- To serve as spokesperson for the group, e.g. to the media and at formal and social events.
- To take Chair's action if urgent decisions must be made between meetings. This should only be used for decisions that cannot wait.
- To help the committee to work within an equal opportunities framework.
- To support volunteers and any paid workers.

Secretary's Role

- Elected by the committee.
- Helps the Chair to plan the agenda.
- Ensures that notices of meetings/agendas/minutes are drawn up and sent out in advance.
- Goes through the agenda and collects all relevant papers and correspondence to bring to the meeting.
- Ensures that the Chair signs and dates minutes of the previous meeting.
- Notes those present and those who sent apologies.
- Takes minutes of the meeting.
- Assists the Chair in ensuring decisions are made when required and that a named person takes responsibility to action the decision.
- Writes up minutes after the meeting and circulates them.

Treasurer's Role

- The treasurer or a finance sub-committee may carry out the financial decision-making and work but the final responsibility for financial matters rests upon the management committee as a whole.
- To direct and oversee the finances of the group; to ensure that they are conducted legally and appropriately.
- To make regular financial reports to the management committee and ensure that they have sufficient information to make informed decisions.
- To provide guidance and support to the Chair and committee in their financial work.
- To keep records of all income and expenditure.
- To prepare the annual statement of accounts for presentation to the AGM.
- To arrange for the payment of bills, including renewal of insurances
- To encourage the committee to develop a financial plan for the future.

Other Committee Members

The following are suggestions of other roles that may be carried out by committee members:

- a) Social Secretary - to arrange group meetings, speaker, outings, etc.
- b) Welfare & Benefits Adviser - to advise group members about the various benefits available and to assist with filling-in forms, attendance at tribunals, etc.
- c) Press and Public Relations - to liaise with local press, radio, etc., produce press releases and advertise meetings.
- d) Fundraising etc.
- e) Finance and Administration
- f) Policies and Procedures

Sub Committees and Working Groups

Sub committees and working groups may be set up to deal with specific areas of committee activity e.g. an annual fete or Christmas Fayre. However it should always be remembered that the full committee remains responsible for the activities of all such sub committees. Such groups should meet, fulfil their brief and make a report to the committee, who will make the necessary decisions, based on the sub-committee's recommendations.

Having sub-committees and working groups mean:

- Less pressure on the Chair and other officers.
- Volunteers feel better supported; they can refer to the relevant sub-committee for advice and guidance.
- Committee members' specific interests and skills can be recognised and used. There is a great deal of practical expertise available to every group if only it is discovered.
- New and potential committee members can work with more experienced people while they "learn the ropes", encouraging more people to consider getting involved in the group or even standing for the full committee.
- Individuals can increase their involvement, and thus feel more a part of the group, because the work is done in small groups rather than by overworked individuals who are reluctant to share their workload.
- Meetings of the full committee are shorter and more effective because information can be collected by the working group and presented to the committee in a more digestible form.
- The local group committee might consider establishing sub-committees and working groups for any or all of the following tasks:
 - Newsletter production
 - Planning an event e.g. annual fete, Christmas Fayre, Awareness Day
 - Fund-raising
 - Press, publicity and Public Relations
 - Welfare and Benefits advice
 - New members
 - Lobbying and Service Provision

SECTION 4 WORKING EFFECTIVELY AS A COMMITTEE

PREPARING FOR A MEETING

Introduction

There is a danger that, if not carefully planned, meetings can be boring, a waste of time, they can start late and go on too long. But meetings do not have to be like this. They can be useful, informative, challenging and even exciting, but good meetings do not happen by magic. They need careful planning and managing.

This section covers planning, agendas, minutes (both taking notes and writing up) and how to have effective meetings. Hopefully, it will help the Chair to make meetings both enjoyable and productive.

Planning

Much thought and energy should be put into the preparation and planning for a meeting.

- List the information required
- Decide how best to obtain this information.
- Allocate tasks to members of the group
- Choose a date, time and place convenient for all the people you want to attend.
- Plan your publicity carefully bearing in mind the people you want to come to the meeting.
- Appoint one person to co-ordinate all the arrangements for the meeting.
- End your meeting on a note of hope and optimism.

Agendas

- The Agenda should usually be circulated with the notice of the meeting.
- Always state clearly the title of the group or committee that is meeting; the date, time and place.
- Be logical: decide what subjects need to be raised at the meeting and sort out an order of priority for their discussion.
- Check with members to see if they wish to raise any matters in order to reduce the number of items raised under 'any other business'
- It should contain the order and notice of business to be transacted.
- If a guest speaker is attending the meeting, give them an early slot or ask them to join you at an appropriate time.
- Don't be vague. If a matter is sufficiently important to be raised at the meeting it should have its own heading, rather than appear under 'matters arising' or 'any other business'.
- Be informative. Describe each item in sufficient detail so that members come prepared and interested.
- Timing: give an indication of time to be spent on each item but do not be too rigid.
- Enclosures: where practical enclose previous minutes and any written reports so that members have an opportunity to read these thoroughly before the meeting.
- The agenda should be sent out a week to ten days in advance of the meeting.

Suggested Agenda running order

1. Apologies
2. Introductions - agree purpose of meeting.
3. Agree minutes of last meeting as appropriate.
4. Matters arising from those minutes.
5. Officer reports where relevant (e.g. treasurer gives financial report: chair; secretary.
6. Main issues to be discussed (list order of priority)
7. Any other business.

To save unnecessary effort and paperwork you could use the following sample Committee Agenda:

<p>NAME OF GROUP COMMITTEE MEETING VENUE, TIME AND DATE</p> <p>AGENDA</p> <ol style="list-style-type: none">1. Apologies for absence2. Introductions – agree purpose of meeting3. Minutes of the previous meeting4. Matters arising5. Chair's Report6. Secretary's Report<ol style="list-style-type: none">a. Newsb. General correspondence received7. Treasurer's Report8. Action items9. Forthcoming Events – Programme to be organised10. Fund-Raising11. Marketing and promotion12. Any Other Business13. Date of next meeting

MANAGING A MEETING

A satisfactory committee should:

- Understand its purpose and powers
- Be able to understand, criticise and discuss any proposals put before it, and not just act as a rubber stamp
- Reach decisions as a group and not be dominated by any one member.
- Be prepared to represent and promote its group policy and decisions both to members of the organisation, and to outside bodies or individuals when appropriate. (The latter requirement implies Group Responsibility. A Committee member should put their personal view on any matter frankly and without reservation. Once a democratic group decision has been taken, however, all must be prepared to abide by it and to support it).

Regulations Governing Meetings of Committees

A valid meeting must:

- Be properly convened. This may be by written notification of every meeting to those concerned; or by issuing to each committee member a programme of meeting dates.
- Be properly constituted
- The properly appointed person or the authorised deputy must be in the chair.
- A quorum must be present - as set out in your constitution
- Be properly conducted in accordance with the Articles or Regulations governing its constitution.

Conduct of Committee Meetings

There are two important principles which are essential to the timely and efficient conduct of committee business:

- All comments, arguments and suggestions should be addressed to the Chair
Private fringe conversations must be firmly discouraged

Any major controversial item will give rise to conflicting opinions. When all committee members have had a reasonable opportunity to state their views, the Chair should bring the discussion to a close by asking for a formal Resolution; which should be proposed by one member, seconded by another, and recorded accurately by the Secretary. The Chair may then take amendments to the Resolution; which should be similarly proposed, seconded and recorded. A vote should then be taken, starting with the final amendment and working back to the original resolution, until one of these is passed. If none is passed, the matter remains undecided.

Results of the voting should be recorded in the Minutes: e.g. 'Passed unanimously' 'Rejected by seven votes to three'.

How to have effective meetings

- Make sure you have the up-to-date facts on all matters on the agenda (try to separate fact from opinion).
- Begin the meeting with a short statement summarising the purpose of the meeting, what facts are known already, why a decision is required and how you intend to structure the meeting in order to reach a decision.
- Use summaries and questions to guide the meeting so that everyone is clear about what has been achieved so far. At the end of the discussion, summarise the decision which has been reached and who is responsible for implementing that decision.
- Conveying good news to a meeting is relatively easy. Conveying bad news is difficult as it can make you unpopular. It is essential, however, to let members know bad news to ensure that they feel fully involved in their group.

Here are some hints on how to convey bad news:

- Try to find a positive side and end on a hopeful note.
- State the facts clearly and accurately.
- Seek the help of members in finding a remedy.
- It may help to rehearse what you are going to say so you don't lose the thread of what you're trying to tell them, or miss out any essential facts.

There are six types of questions:

- **The OPEN** question to obtain information e.g. "what experience do any of you have in this matter?"
- **The OVERHEAD** question addressed to the whole group e.g. "what solution can we suggest?"
- **The RELAY** question in response to a question e.g. "that's an interesting question, how would the rest of you deal with that situation?"
- **The DIRECT** question to individuals, either to draw out special expertise of the quieter members, or to keep the discussion going e.g. "I wonder, (name of person you are addressing), if you can tell us about your experience in this area?"
- **The RE-DIRECTED** question, bringing more people into the discussion, e.g. "(name of person you are addressing) do you feel the suggestions put forward by (previous person addressed) would be relevant to your situation.
- **The REVERSE** question, asking the person who posed the question to answer it themselves, e.g. "I understand you had to face this problem once, perhaps you could tell us how you succeeded in overcoming it?"
- Questions are a useful way of keeping the discussion flowing without the Chair having to do all the talking.
- Encourage participation but avoid domination by a few members
- Be prepared to be unpopular at times if it is for the benefit of the group.

MINUTES OF THE MEETING

A true and accurate record

A true and correct record should be made of the proceedings of every meeting, and of any resolutions adopted. They should be: an exact account of what was actually agreed; sufficiently detailed and complete for a member who was absent to understand what was done at the meeting, free from ambiguity; concise, and absolutely impartial.

There is a definite knack to writing good minutes; but this is not difficult if certain basic principles are followed. The minutes should indicate, without too much detail, **WHAT IS DISCUSSED**: and should record, precisely and accurately, **WHAT WAS DECIDED** on each item.

Practical Tips for the Secretary

There are two aspects to taking minutes:

Taking Notes

- Take rough but relevant notes under a heading for each agenda item; but do **not** try to record **everything** that everybody says;
- Leave several blank lines between your notes on each item in case members refer back to that point at a later stage in the meeting;
- Concentrate on the salient points. Be prepared to sum things up on the following lines: "After a prolonged general discussion, Mr. Jones suggested and it was agreed that;
- Make a note of what action is decided upon and who is to carry out that action;
- If at the end of an item you are unsure about what has been decided always ask the Chair to summarise;

- Keep your rough notes until after the minutes have been approved at the next meeting; you may need to refer back to them if there is any doubt about what happened.

Writing up minutes

- Prepare a rough draft as soon as possible after the meeting. If you are in doubt, check with the Chair or a member;
- Your minutes should be brief but accurate. There is no need to record who said what and when. Simply record the decision;
- Which was reached and any factors which were relevant to that decision.
- An 'Action' column on the right hand side of the page is a useful way of highlighting who is responsible for carrying out each decision;
- Avoid complicated numbering systems but do ensure it is possible to refer back to old minutes when necessary.
- Keep minutes in a hard backed ring binder or notebook together with any reports or papers which were presented to the meeting.

When the Chair has checked the minutes, circulate them to members as soon as possible. It is better to send them out within a few days of the meeting so members are reminded of what action they agreed to and have the time to do it before the next meeting. Any documents which were distributed at the meeting should also be sent to people who were not there.

Adoption of Minutes

The Minutes of the last meeting should be circulated prior to each committee meeting. Any agreed corrections should be inserted in the manuscript, and initialled by the Chair. When the Minutes have been accepted, they should be signed by the Chair, and the fact recorded as follows:

"Minutes of the meeting held on (date) were read and signed as a correct record".

No alterations in minutes can be allowed after they have been signed by the Chair. If, at a subsequent meeting, members disapprove of the decisions taken at an earlier meeting, the remedy is to introduce a new resolution for discussion and decision.

Matters Arising from Previous Minutes

This heading refers to **information** only, or to **action outstanding**. Any attempt at re-discussion on minutes already written is not acceptable, not good practice.

SECTION 5

THE ANNUAL GENERAL MEETING

It is good practice and should be defined in your constitution that it is essential that every Group holds an Annual General Meeting not more than fifteen months after the inaugural meeting.

The purposes of the meeting are to enable the Committee to present a report on the year's work to the Membership, to render an account of its stewardship and for the membership to elect its officers and Committee for the coming year. Specific items of business have to be dealt with and a standard agenda is included which is helpful to follow.

Notification

You must give sufficient notice together with the details of business to be discussed. Your constitution will specify the number of days' notice all members must receive. This is usually 21 days.

Conduct of the Meeting

An AGM is for members only; no visitors are permitted. You should decide in advance who will Chair this meeting – this can be an honorary member or a local Patron or dignitary, who is also a member.

The Agenda

The Agenda normally includes:

- Notice convening the meeting
- A few words of welcome and a report from the Chair.
- The Minutes of the AGM are read, approved and signed at the next AGM.
- Secretary's Report: this should include a resume of the work any sub-committees as well as a report on the general progress throughout the year.
- Treasurer's Report: The officer presents the annual accounts as at the start of the year, explains in greater detail the financial statement for the group.

In addition, particularly if the AGM is held rather late in the year, it could, include a brief report on the current financial situation for the general benefit of members, though committee members are informed of this at their regular meetings.

The adoption of both the Secretary's and Treasurer's reports must be duly proposed, seconded and approved by the meeting.

Extended Reports

If, in the opinion of the Committee the activities of any section(s) call for a more detailed report the Chair is empowered to ask the members of the Committee responsible to prepare and present a more detailed report.

Election of Officers and Committee

Your constitution should specify the term of office of Committee members before they must stand down or seek re-election. This should be discussed at the last committee meeting before the AGM. It is necessary to decide which members are to stand down (and whether or not they wish to stand for re-election) and how many vacancies need to be filled.

Note that co-opted members may be appointed by the Committee at any time to meet a specific need and their service ceases when that need has been met. Co-opted members are **not** elected at the AGM although any such person is eligible for election as a full Committee member if so nominated.

Election of Officers

Any officer (i.e. Chair, Secretary or Treasurer) who is due to retire and is willing to continue in office should be proposed and seconded by a Committee Member. If a replacement is necessary, then the Committee should preferably have their own choice of nominee(s) in mind and be prepared to propose them. It is extremely unwise to leave the matter completely open and to take nominations from the floor. Alternatively the specific officers of Committee may be appointed by the Committee from their membership at their first meeting following the AGM.

Election of Committee

Nominations should be requested beforehand in writing so that it will be clear how many names have been proposed to fill how many vacancies. These names can be put to the meeting en bloc; nominations from the floor should only be required if the number of nominations received are less than the number of vacancies. However a system of postal voting may be adopted to enable election of members to Committee and for any resolutions being put to the meeting. Alternatively, although less desirable a proxy voting system could be adopted. The Committee is empowered to fill any casual vacancy at any time during the year and co-opt members onto the committee.

Appointment of Auditors/Independent Examiners

The auditors/independent examiners are selected by the Committee and their appointment put to the meeting in the usual way.

Vote of Thanks

A vote of thanks to all concerned with the running of the Branch during the year should be proposed by a member of the Branch from the floor (having been previously selected and briefed).

Any Other Business

Note that this heading is not included in the agenda for an Annual General Meeting.

After the Meeting

A well-managed AGM need not take very long and the time remaining could be put to good use by encouraging Group members to express their views, preferences and opinions on the activities of the Group in a general discussion.

Alternatively a brief talk on some aspect of the work of the organisation is suggested.

EXAMPLE: *Standard Agenda for an Annual General Meeting*

NAME OF GROUP ANNUAL GENERAL MEETING
NOTICE is hereby given that the (.....) Annual General Meeting of the Group will be held in:-
VENUE, DATE, TIME
AGENDA
1. Notice convening the meeting / Welcome
2. Apologies for absence
3. Minutes of the previous Annual General Meeting
4. Chair's opening remarks and report
5. Secretary's Report
6. Treasurer's Report
7. Election of the committee and/or officers
8. Appointment of Independent Examiner of Accounts or Auditor
9. Resolutions for consideration (if applicable)
10. Vote of thanks

SECTION 6

MANAGING DIFFICULT SITUATIONS

Dealing with difficult situations

Mediation

Occasionally the management committee of any organisation will have to deal with a really serious problem within the running of the group. If the committee is not able to deal with the problem 'in house' the LBH Corporate & Community Resilience Team can offer its services as either a mediator or to signpost to relevant guidance/support mechanisms.

Disclosure Policy

Recent legislation means that every organisation must have a policy whereby staff, paid or voluntary, can report issues of concern to people for investigation, and the reporting person should then be protected from bullying or harassment. Areas for reporting may include: financial fraud, abuse of power or individuals, misconduct, suspected theft and many other areas. Your organisation must have a disclosure policy, where it is shown clearly where and who staff can go to for disclosing in confidence. Additionally they can disclose to an outside independent body for consideration of the issues.

When conflict occurs

There are **four** key points to bear in mind:

- Don't ignore it: if you try to avoid dealing with it, matters will just continue to get worse, making a minor irritation a major crisis.
- You can deal with it: go with your instincts, be fair, open and compassionate and most issues can be resolved. Following these guidelines will help you to resolve most problems.
- Seek guidance: talk to others on the local committee first, talk in confidence to people involved in other reputable local community organisations you respect, talk to someone from your parent organisation if you have one.
- You should also notify your parent organisation at an early stage of things getting difficult. Even if you feel you can deal with it initially, others may be in contact and giving a totally different account of events, a different perspective or, even telling a dramatically different story. Communication is the key to diffusing these situations.

Remember.....it's good to talk.

The precise issue any group may have to face cannot be predicted, but the following issues are ones that may arise.

Disputes within the Committee

The whole basis of committee work is the resolution of different points of view in order to identify the way forward for the group as a whole. These guidelines contain advice for the Chair on how to manage such issues effectively and thus hopefully diffuse many of the problems.

Holding the minority view

A 100% consensus sometimes cannot be achieved whatever concessions are made by either side. In these circumstances, in democratic organisation committee members holding the minority view must accept the will of the majority.

However, some individuals find such a position difficult to accept and they are thus left with a simple choice - do I remain on the committee or do I resign?

Choosing to stand down

If a committee member resigns, then they are no longer part of the management committee and no longer represent the organisation.

Sharing responsibility

Where the dissenter is an officer they have two choices, since they may opt simply to resign as an officer, whilst retaining their committee place. In such circumstances, they still bear joint responsibility for the decision and its consequences since they have opted to remain a part of the committee. Another committee member would then have to be nominated to take over the officer's role.

Considering the minority

Finally, those committee members in the majority cannot simply ignore the minority view, nor can they ignore or omit from the decision-making process, those committee members with whom they disagree. Every committee member represents the rank and file membership who elected them and who "own" the organisation. To do either of these things would in fact be a breach of good faith.

Misuse of one's position within the group

This is not just a problem for the committee, but may also occur within the membership. Individual members may be complementary therapists qualified counsellors etc., but they cannot use their position within the local group to market their product or skills. This would be unethical.

Misuse of position can also occur in other ways:

Breach of confidence

There are three dimensions to this issue:

1. Firstly, in continuation of the previous item, to publish (in its widest sense) confidential business, differences of opinion on the committee or contentious proposals, whether to the local press, other related organisations, to group members directly or in the local group newsletter, or to the wider general public would be a breach of confidence. There are three ways in which such difficulties can be properly aired, through an Emergency General Meeting, at the Annual General Meeting or by the committee as a whole deciding to release an agreed formal statement.

However, once the committee have made public any statement, proposal or press release, then the matter is an issue of public record and members, or the general public for that matter, may legitimately make such comments as they may wish, always of course within the laws of libel and slander. These laws also apply at all times to committee members.

2. The second dimension to confidence and confidentiality is in relation to personal details supplied to the organisation by members. The Data Protection Act requires that all data about members is kept confidential unless permission has specifically been given to release it by the individual. This becomes particularly relevant when organising telephone networks or listing contact details of Group organisers.

The group's mailing details should never be released to a third party, whether within the committee or the group, for any reason unless a signature has been secured on a pro forma requiring that the information is to be used only for the organisation's purpose.

You are advised that membership list details should never be released to anyone outside of the organisation and never, ever, for whatever reason be sold on. Detailed guidance can be obtained from the Data Protection.

3. Finally, in one's capacity as a committee member, or indeed, even as an ordinary member attending local group activities, you will become privy to some very personal details about the people on whose behalf you are working locally. Any such information should be kept in the strictest confidence and not allowed to become the subject of local gossip. Of course, you may need to share such information with other people on the committee, such as for example, the welfare rights worker. In doing so you may be able to help an individual, but it is good practice to clear this in advance with the person concerned.

DEALING WITH PEOPLE PROBLEMS PERSONAL

Historic or hidden issues

These problems are more difficult to manage because they are rooted in **INDIVIDUALS** rather than **ORGANISATIONS**.

They can occupy a disproportionately large amount of everyone's time and energy. This is unproductive:

- It makes all concerned feel bad
- The group cannot get on with what it is supposed to be doing
- The group as well as the committee soon get the reputation for not being able to work together.

Personal

We have to expect to come into contact with people from a wide range of social and cultural backgrounds, lifestyles and communities. They may be people from ethnic minority groups, traveller groups, gays and lesbians, criminals, members of religious cults, millionaires, or those existing on social security benefit. All must be treated fairly, with respect and courtesy, supported and assisted.

Personal disagreements and mistrust can get in the way and cause significant problems. At a personal level we always have to take into consideration the effects and consequences on individuals of their particular circumstances. Similarly, many people may feel that their circumstances make them special and subsequently demand an inordinate amount of time from the committee, writing pages of detailed enquiry and comment possibly on a monthly basis, binging with seemingly trivial enquiries unrelated to their circumstances. Many such people need the services of a local befriending service and if none is available, then someone within the group may take on this role until such a service can be found. Many members may have additional problems. Consequently, we must also expect to deal with people who have psychological or psychiatric disorders. Clearly, in order to give them access to the services they need in addition those provided by your organisation. It is vital to know where those services are and how to reach them.

Historic

For example, a new committee may also not recognise the history of a group and thus overlook people who may have given a great deal to the group in the past. Many groups were originally the product of one individual's efforts and this should be informally recognised, possibly by consulting over new developments, introduction to the audience at meetings, remembering to chat at meetings, in general, treating such elder statesmen with a little extra courtesy. However, past grievances may need to be resolved.

Hidden

Hidden hierarchies and/or power struggles can contribute further to problems which may arise. They need to be brought into the open, acknowledged and dealt with. Hidden hierarchies are informal and emerge because of age, level of involvement in the group, level of knowledge, personal power or friendships. They exist in all groups, whether they have formal hierarchies or work non-hierarchically. They need to be recognised, acknowledged

and changed and this needs to be done in a way that is constructive rather than destructive for the group and the individuals concerned.

Finding a starting point

The list does not cover all the possible causes of conflict within groups, but it provides a starting point for identifying actual or potential problems and beginning to do something about them. Unfortunately, it is not easy to examine those underlying factors when tempers are high, individuals feel fragile and the group seems to be collapsing. It may need someone outside of the conflict to help the group gain a perspective on what is happening, how the immediate problem can be resolved and how the underlying difficulties may be overcome.

Approaches to conflict resolution - dispute settlement

The following are useful considerations for anyone involved in a conflict situation:

Steps in Conflict Mediation

Regardless of the process or processes used and whether an intermediary is involved, the GOAL of conflict resolution is an AGREEMENT ON SPECIFIC ACTION. These can be taken by some or all of the parties to the conflict, to deal with a particular situation. This requires:

- Ensuring each party in the conflict has an opportunity to clarify and define issues as they see them.
- Giving each person the opportunity to say why they want something to be done about the situation.
- Identifying common interests and, if possible at this stage, common goals.
- Defining issues on which agreement is essential and/or possible.
- Clarifying facts, opinions and values about each issue.
- Defining and discussing suggestions for resolution of each issue.
- Agreeing a specific solution and the steps to implement it.
- Being sure all parties are willing to implement the solution, even though they do not fully agree with it.
- Agreeing a procedure for reviewing the situation to be sure it is working, and / or for dealing with people who do not do what they have agreed.

SECTION 7

MANAGING MONEY

Brief Introduction

All groups should keep accounts. Accounts will also help to show funders, members and the public that your group is operating effectively.

Key Points to Remember

All committee members have a duty to see that their group is being properly managed and monies spent appropriately. Day to day control and supervision of finances can be delegated to the Treasurer; however committee members still remain responsible for the overall management of finances. In any organisation, however big or small, members of the committee must make sure that the treasurer is carrying out the job properly. In satisfying yourselves that this role is being carried out properly you have to be sure that the Treasurer is honest and competent. This in no way reflects or implies lack of trust, but simply ensures good practice. There are several ways a committee can ensure good practice and minimise 'risk' at the same time. Some examples are given below:

General Rules on Handling Money

- The treasurer must make regular financial reports to the committee, supported by bank statements.
- Have careful procedures for handling cash, involving at least two unrelated people.
- Cheques must have two/three signatures. Blank cheques should never be signed, for any reason.
- No cheque should ever be signed without supporting documentation, for example an invoice explaining the expense.
- All expenses should be authorised by the Chair, Treasurer or other authorised person, or the trustees may delegate authority to a Chief Officer.
- No one should authorise expenses paid to him or herself, (see later in this section on Expense Guidelines).
- All expenses should be paid by cheque rather than by cash where possible.
- Always issue receipts for money received and obtain receipts for all expenditure and expenses claimed.
- Ensure that all money received is banked and not used to pay outgoings.
- Pay all money received into your account and make all payments by cheque as you will always have a record of each payment. Do not be tempted to pay bills by using cash received as it is very easy to lose track of what was what. If necessary set up a petty cash system, but think long and hard about whether you **really** need cash, as this can make your treasurer's job more difficult.
- Keep detailed notes of records and transactions.
- Never keep more cash than is necessary and pay any surplus into the bank/building society as soon as possible.
- Petty cash, it is recommended that you maintain an agreed float for on-going small expenses, each outgoing from the float needs to be documented with receipts.
- Replenish your petty cash to the agreed float. This will make your accounting and reporting much easier.

Running an Organisation

In order to run activities or provide services, all organisations require resources - e.g. people, finance, equipment, premises etc. A key tool in organising this is the budget. Each year an organisation needs to draw up a budget – an estimate of how much it expects to pay out in expenditure and receive in income during the **financial year**. The Management Committee should approve the budget and use the budget to monitor **income** and **expenditure** during the year. As well as the budget the organisation needs to establish a system for recording receipts

and payments and for small organisations you will require a cash analysis book and a petty cash analysis book.

BANK/BUILDING SOCIETY ACCOUNTS

Opening a Bank or Building Society Account and Making Changes. You may already be a well-established Group with a bank/building society account. However for new accounts or changes to an account the following process should be followed.

The decision to open an account should be taken during a committee meeting and recorded in the committee minutes for future reference. Similarly the decision to amend signatories to the account will be taken during a committee meeting and again recorded in the minutes. The treasurer may be asked to provide this evidence when opening an account. A Clubs and Societies Account is often the most appropriate and should carry no bank charges.

Someone (usually the Treasurer), will need to visit your bank to open the account and each signatory must personally present to the bank evidence of identity and residence and a specific form is needed for this. They do not have to visit the branch where the account is set up but instead may prefer to visit the branch nearest to their home or place of work but they will need to know the account details and take along the relevant form issued when the account was set up. This is in addition to the bank mandate form.

The bank mandate form records the details of all cheques signatories and their specimen signatures. Whenever you add or remove a cheque signatory a new bank mandate must be completed showing a complete set of signatures and countersigned by your Chairperson. The new signatory must make a personal visit to the bank to verify their identity and residence.

Many places run short courses on basic bookkeeping and you are advised to have at least two members of your committee skilled in bookkeeping. Your treasurer should present the committee with regular reports, but all committee members must be able to interpret and understand these reports. Do not be afraid to say you if do not understand as it is possible a different style of reporting might work best for all of your committee and you should be comfortable in your efforts to manage your funds. All committee members are responsible jointly for financial decisions taken. It is not enough to say afterwards that you did not understand.

ACCOUNTS

Accounts are a way of 'giving an account' of what has happened financially. Don't think of your annual accounts just as figures. You really are providing 'an account' of what's gone on and you may need to explain what the figures show. The Charities SORP requires a 'narrative' to the accounts which does just that.

They can cover any period. Most organisations have to produce annual accounts. These are usually drawn up after the end of the **financial year** and should give a full and clear picture of both the organisation's transactions during the preceding year and its financial position at the end of it.

The annual accounts are often presented to an organisation's Annual General Meeting. Registered charities may have to send their **annual report** and accounts, called the financial statements to the Charity Commission every year and registered companies have to forward a similar information to Companies House.

FINANCIAL YEAR

For accounting purposes, organisations have a financial year. At the end of the year they produce annual accounts in the voluntary sector, although these dates are not mandatory, many organisations have a financial year that runs from 1st April to 31st March. If the organisation is a registered charity the year end date will be agreed with the Charity Commission upon registration.

Many organisations choose to publish a document - often presented to an Annual General Meeting - which is wider in scope than the statutory report. It may be seen primarily as a fundraising tool or a way of being accountable to users rather than a way of accounting to the Charity Commission or Companies House. It *may* include detailed accounts, but (with big organisations especially) may just have summary accounts. It is often then called an Annual Review.

ANNUAL RETURN

A phrase used by both Companies House and the Charity Commission to describe the form they require companies/charities to fill in every year and return. Often the Annual Return is sent back with the organisation's annual accounts and report.

TYPES OF ACCOUNTING

There are two basic ways of doing accounts: **accruals accounting** which shows **income and expenditure** (or in the case of registered charities provides a Statement of Financial Activities (**SOFA**) over a period, or **receipts and payments** accounting. Accrual accounts should include a **balance sheet** and notes to the accounts, whereas receipts and payments accounts should include a statement of **assets and liabilities**. Accounts may need to be professionally **audited or independently examined** organisations often produce monthly or quarterly **management accounts** for use within the organisation. These are not independently examined.

Accruals Accounting

Accrual accounting is based on the concept that any money earned by an organisation must be matched with the costs that were incurred to generate that income, and that both are included in the same period of accounting. So for example the costs of holding the jumble sale are balanced against the income it generated and both costs and income appear in the same set of accounts. This allows accounts prepared on an accruals basis to show a "true and fair" view of an organisation's financial activities.

Balance sheet

Is a snapshot of the value of an organisation at one moment in time, usually at the end of the last day of its financial year. It shows Assets (money, property, the money others owe it and expenditure relating to the next financial year), Liabilities (commitments and debts, and income relating to the next financial year) and Net Worth (assets minus liabilities). A balance sheet 'balances' because the Net Worth is always equal to Assets minus Liabilities.

Receipts and Payments

Alternately, accounts prepared on receipts and payments are less sophisticated and easier to prepare. They are also often easier to understand. Accounts drawn up on a receipts and payments basis should provide a factual summary of all money received and paid during the period they are reporting on, as well as a list of the organisations assets and liabilities.

Assets and Liabilities

Assets are what your organisation has. People say, "*Our volunteers are our greatest asset.*" When talking finance, assets mean your money, property and anything that is owed to you. Assets are contrasted with liabilities, which are what you owe other people or have a commitment to pay.

In a balance sheet that conforms to the Charity SORP 2000 assets are divided into

- tangible fixed assets held for use by the charity
- investment fixed assets
- current assets

Fixed assets are things like equipment or property that you would have to sell in order to get any money. Inexpensive bits of capital equipment (like staplers or waste-paper bins) aren't usually counted as fixed assets.

Current assets are money in the bank, any money owed to you, or other items that can be quickly converted into cash.

Income and expenditure, receipts and payments

Accounts that show Income and Expenditure for a given period are prepared on an accruals basis. They give an account of all the money received or due and paid out or due to be paid out relating to activities that took place during the period. So they are unlikely to show (for instance) money received that relates to the preceding year's activities, nor do they show money paid out relating to the following year. Income and Expenditure accounts are accompanied by a balance sheet. In the commercial world they are called Profit & Loss accounts.

Audited accounts

A statement of your organisation's finances, usually for your last full financial year, which has been reported upon by a qualified auditor. If the auditor believes the figures to give a true and fair view of the organisation's financial state, he or she declares them to be true and fair. If he or she doesn't have enough information to go on or believes there's something false about the figures, he or she 'qualifies' the accounts.

Charity law requires charities with over a certain level of income £10,000 to have their annual accounts professionally scrutinised. If the income or expenditure is over £250,000 the accounts *must* be audited by a registered auditor. Below the £250,000 limit organisations can opt for an independent examination as long as their governing document allows this. Even if there is no legal requirement to do so, funders sometimes insist that accounts be audited. In these circumstances it may be worth checking out exactly what they mean - independently examined accounts may be acceptable.

Independent examination (of accounts)

Charities with an income of less than £250,000 can choose to have their accounts independently examined, rather than audited. An independent examiner doesn't have to be professionally qualified, though the Charity Commission recommends that he or she should have suitable experience and be a qualified accountant if the organisation's income is over £100,000. The person must be 'impartial' so they shouldn't be involved in the charity in any way that might influence them, and the trustees must be satisfied that the examiner has the necessary expertise and ability.

The Charity Commission produces *Directions and Guidance Notes* about exactly what is required. The Commission also produces a standard form for the independent examiner's report (and also the trustee's) annual report for charities with a gross income of less than £100,000.

Management accounts

The accounts that an organisation produces for its own purposes (for instance, quarterly figures that go to the Management Committee) rather than the accounts it produces for external authorities. (The Annual Accounts for Companies House or the Charity Commission, for example). The form that management accounts take will depend on what information the 'managers' want.

SOFA - Statement of Financial Activities

This is required by the Charity Commission if charities submit accruals accounts. It is used instead of a statement of Income and Expenditure. What is required is described in the SORP.

The main differences between the SOFA and conventional Income and Expenditure accounts are:

- the SOFA must include capital transactions as well as revenue transactions
- the SOFA must include transfers between capital and revenue accounts
- instead of 'income', the SOFA should have a heading called 'incoming resources'; this section should show the value of donated goods or services as well as money income instead of 'expenditure', the SOFA should have a heading called 'resources expended'; this section should show the value of donated goods or services used up even if donated as well as money expenditure
- 'expenditure' is usually divided up into 'natural' categories like salaries, office costs, printing, whereas if charities have a gross income of more than £100,000
- the SOFA often optionally divide up 'resources expended' into at least the following three 'functional' categories
 1. direct charitable expenditure
 2. fund-raising and publicity expenditure: and
 3. expenditure on the management and administration of the charity

Notes to the accounts

Organisations with annual income over £100,000 must include notes to their annual accounts. These notes should include:

- Details of accounting policies
- Brief details of grants and donations received
- Analysis of fixed assets
- Analysis of debtors
- Analysis of creditors
- Movements in funds
- Analysis of net assets between funds
- Details of staff costs including numbers of staff
- Trustees' remuneration – This should state that Trustees are not remunerated and give the amount of any expenses incurred and the nature of the expenses.
- Value of volunteers' time – The value of volunteers' time may also be included
- Related party transactions – Remuneration for the year directly or indirectly from the organisation's funds to any persons connected with the trustees should be detailed.
- Taxation – Details of any exemption from taxation should be given.
- Comparative figures - If previous period comparative figures have not been given in the accounts the notes to the accounts should explain why.
- The value of volunteers' time may also be included in the notes to the accounts.

SORP - Statement of Recommended Practice

Sets out standards for accounting by charities, including what information should be included in annual accounts. It applies to virtually all charitable organisations in England and Wales.

EXPENSES GUIDELINES

Expense Claims

Each group's committee must decide on which expenses can be re-claimed. The following is for your guidance:

- It is reasonable for out of pocket expenses to be claimed for attending meetings, carrying out authorised visits on group business, telephone calls made, postage incurred and basic stationery requirements.
- The main thing to remember is that revenue for the group may often come from those on low income. It is therefore everyone's duty to ensure that any money is wisely spent and expenditure is reasonable.

- Keeping costs as low as possible does not mean that anyone should be out of pocket. Costs are necessarily incurred in local group activities and those involved should not be expected to bear those costs themselves.
- It is wise however to have specific guidelines in place for the submission of expense claims.

General Guidance for Expense Claims

It is very helpful to have an official expenses claim form – an example of one is shown at the end of this guide. This form can be a useful tool for your treasurer, especially if you have projects against which the spending has to be identified separately. It is helpful to take some time to explain exactly how you wish it to be completed by each committee member and include this as part of your induction plan for new committee members.

Travel

Committee members may need to claim the cost of attending authorised meetings.

RAIL - try to take advantage of cheap day return tickets or any other fare reductions available. The cost of getting to and from stations may also need to be claimed. You should ensure that your members attach all receipts to the claim form.

CAR - It is sometimes necessary to use your car on group's business and you are advised to check the current recommended rate per mile.

As at 2019 the Inland Revenue recommended car rate is 45p per mile,

<https://www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances/travel-mileage-and-fuel-rates-and-allowances> refers.

TAXI – some group members may need to travel by taxi, try to establish a trip rate before a journey is undertaken so that excessive bills are not a surprise.

Telephone

Call costs that are being claimed for the group's business should be supported by an itemised bill provided by the telephone service provider. Such claims should be made in the month in which the bills have been received. It is wise to ask your members to keep a telephone log to help track the calls made on behalf of the group. This can be as simple as leaving a clip board with the sheet next to the phone and the time, date, number and nature of the call noted for each call. A log can be useful information later for your statistics and help as part of your audit trail.

However, nowadays many people have telephone contracts allowing 'free' calls during the evening and at the weekends, in return for a standard charge per month that is usually higher than the monthly rental charge might have been. In this case it is often agreed at committee to pay a proportion of this monthly charge in recognition of the higher amount paid as a standard charge and the potential savings per call if a number of calls are regularly made on behalf of the group. The details of the decision should be clearly recorded in the minutes, as your auditor may look for evidence of an agreement. It is still useful for the committee member to maintain a telephone log, for review and statistical purposes. Remember Charity Law does not allow any committee member (Trustee) to benefit financially from their position and so a regular review of telephone usage and payments are wise to protect both the organisation and the individual.

Postage

Necessary postage costs are incurred when running a local group. If expenses are being claimed receipts obtained from the Post Office should be attached to your claim form.

Stationery

Occasionally stationery costs may be incurred. Again attach all receipts to the claim form.

FUND-RAISING

Local groups need money to operate and pay for their basic running costs. Some groups make a small charge to their members to cover the basics but if this is not possible or practical and overheads are steep, or a group seeks to employ a worker, or carry out a particular project then fund raising becomes a necessity. There are many books and pamphlets on the subject but some basic rules apply.

If a collector or fund raising event mentions a specific purpose then the money collected at that event or by that collection must be used for that purpose. For example you cannot collect for research and then spend the proceeds to purchase a computer. Any raffle or draw must be registered with the local authority except those where all the tickets are sold on the day and the draw done on the day, i.e. a raffle at a meeting etc. There are strict rules concerning street collections. Permission must be given by the local authority for any collection in a public place. If the collection is on the premises of a shop or store or at a shopping centre, their permission must be given. Collections in a railway station need permission from the station operating company and British Transport Police. You are advised to ensure you have public liability insurance covering third party risks for most fund-raising operations, i.e. fetes, fairs, 'tin shakes', socials, sponsored walks, etc. and other events need to be specifically identified to the insurers to ensure coverage is given.

Street collections

- All street collections require a permit from your Local Authority. The local organiser must obtain this permit.
- Application must be made at least a month in advance. If you want to collect on a popular weekend i.e. near Christmas, apply well in advance as there may be only one charity collector granted a licence at that location per day.
- Collections on private property (i.e. inside a store) do not need a permit but the store owner's permission must be obtained first.
- It will be necessary to obtain permission to collect and collectors must have the necessary letters of authority. Check with your local authority as some may impose other restrictions.
- Collections on railway stations or their forecourts need the permission of the station owners i.e. Rail track, London Transport or British Transport Police etc. Check with your local rail station.
- Collection boxes, stickers, badges etc. are available from a various companies. A useful website where you can find details is British Promotional Merchandise Association Ltd at: www.bpma.co.uk
- The rules governing street collections are:-
 - No children under 16 years of age may collect money.
 - All collecting boxes should be clearly labelled, closed, sealed and numbered
 - You are advised to keep a list of which numbered collecting box was given to each particular collector and ask them to sign them out and back – this way each collector can be told how much they collected, if they want to know and you can be sure you have back all the boxes you gave out
 - Each collector should wear an identity badge showing the organisation's name – or a license badge if appropriate – donors need to be sure you are both genuine and legitimate.

There are rules of conduct for collectors for many locations and you should be sure you are clear about these and that your collectors adhere to the rules. It is wise to issue each collector, in advance, with a list of the rules, along with how the day will be organised, to allow an opportunity for queries and clarification before you begin. A 'rogue' collector or one who is unclear of how to behave can risk bringing your organisation into disrepute or refusal of permission for collections in the future. When opening boxes at least two people should

be present to count and record the proceeds. It is courteous to inform collectors, wherever possible, of how much was in their box. This can be good for moral and help them to feel valued and keen to come along again next time.

Sponsorship and Grants

There are a number of organisations offering grants to which groups may wish to apply. Further information and advice on application can be obtained from the LBH Voluntary & Community webpage Grant section, LBH Corporate & Community Resilience Team on 01708 432112 or using the online Community Enquiry Form.

National companies, supermarket chains, etc. often have sums available for distribution to local causes, so an approach to your local store can sometimes prove effective. Sponsorship can be in money or more usually in kind i.e. a company may give vouchers or a prize for a raffle etc. Always ensure the giver is given due thanks for their generosity. It may be a requirement to advertise the company's contribution, for instance in your literature or newsletter – be sure to send them a copy.

If grant money is given ensure that it is properly accounted for. If you have any money from the grant remaining unspent in your account at the year-end, ensure it is entered as restricted funds on your balance sheet. It is a requirement, under Community Fund rules, in particular, that these amounts appear in this way, although it is not necessary to keep the money in a separate account. Sponsorship could also be the provision of a piece of equipment i.e. photocopier, etc. which remains the property of the giver. In this case, please note it clearly in your records or minutes. In the event of your group closing down, the equipment may need to be given back to its source and not become part of the assets. In the case of the grant being made to provide a service, then the alternatives are to find another group or organisation to provide the service for the remainder of the period, or terminate the service and return the unspent portion of the grant.

SECTION 8

MONITORING, PLANNING AND DEVELOPMENT

The purpose of this section is to give assistance to groups and organisations carrying out projects or activities they may wish to provide. It is not intended to cover all eventualities but just to give a general guide on how to manage projects or activities and give some examples of good practice. There are also included some Internet links to useful websites, which are available, where more information can be obtained to help you.

Planning your project or activities.

In order to deliver your activity an action plan is needed:

What are you going to do?

Why are you going to do it?

When are you going to do it?

Who are you going to do it with?

and

How are you going to do it?

What are you going to do? (your aims). Consult with your staff and/or volunteers in order to draw up a list of short-term and long-term aims and targets and then prioritise them. Draw up a budget for your activity and how it will be funded. The benefits of good planning of activities will ensure that you have:

- Clear aims for your activity
- Better organisation, everyone knows what to do and why
- Ensures everyone's needs are met
- Ensures the best use of skills and resources
- Helps you set targets
- Gives clear ways of assessing and evaluating your activity.

Why are you going to do it? (your outcomes). What are you hoping to achieve by providing this activity? Why bother?

- Ensure that what you want to provide is what people actually want
- Ensure as far as possible that it's likely to be well used/attended
- Will providing these activities or project improve the image or develop your organisation?
- Convince funders and other bodies to support it.
- If you are going to apply for funding in order to carry out your activity you will need to prove demand for your activity and prove that you require the funding to enable you to provide your activity. The ways of proving demand for your activity:
- Ask people!! Through questionnaires, interviews, research, statistics showing the need within your target area (High unemployment? An elderly population? A high proportion of lone parents, or non-English speakers?).
- Provide records of unmet demand (waiting lists, letters from clients' etc.)
- Provide existing, recent, research.
- Provide evidence that this project or activity will improve and develop your organisation, for example, a membership drive, a publicity campaign, developing a new source of income, developing networks or proposals to involve users in the organisation.

When are you going to do different things? Time your plan realistically – things will not happen overnight!

- Firstly, decide with everyone involved, on the best time to hold your activity or project
- Create a programme for your activity, with deadlines of when you hope to have achieved certain tasks

- Ensure that you have spread the programme out so that there is a realistic timespan for each task.
- Discuss and agree the programme with other members of your workforce and volunteers to ensure that all involved are working to the same time-plan
- Ensure that all tasks required to be completed before the start date of your activity has been completed.

Who will you be working with and who is your target audience.

Sometimes, in order to provide an activity, it is more cost effective to work jointly with another organisation. Some funders are more likely to offer funding to groups that work with other organisations in providing services or activities as sometimes-joint working produces more efficient outcomes.

Who is your target audience? Individuals with special needs, non-English speakers, refugees / asylum seekers, young people, women, people from the black / ethnic minority community or a mixture of the above. Decide how you will target your audience, how will you inform people that your activity is taking place? Agree with your colleagues publicity drive!

- Current users
- Mailing list
- Local newspaper ads
- Local community centres
- Youth clubs
- Resident groups
- Schools/nurseries/playgroups
- Local libraries

How are you going to achieve your aims and ambitions? Work out ways of working with all involved, staff, volunteers, and representatives from your target group and any professionals you may work with to ensure that you all agree upon ways of keeping each other informed of progress

- Discuss and make plans and decisions together
- Design leaflets, programmes and other publicity materials
- Review and make necessary changes to your budget periodically
- Seek funding and sponsorship and raise funds
- Hire venues, equipment, refreshments etc.
- Review and re-plan your time plan or programme accordingly.

Running Your Project or Activity

In order to run activities or projects, all organisations need resources, people, money, equipment and premises. A key tool in managing this is the budget, an estimate of how much money (income) is needed and how much will be spent (expenditure), during the life of the project.

From beginning to end, your project/activity will need to be monitored and regular updates will need to be provided and acted upon to ensure that all runs to plan! Whether you are organising a major long-term project or a one-hour meeting, the basic, common principles are the same.

- Be punctual
- Have a clear agenda of what you want to achieve
- Ensure that opportunities are provided for full participation
- Ensure that the venue chosen for your activity is accessible to people with disabilities
- Ensure that the venue is appropriate for your activity, i.e. is large enough or not too large, and has the facilities to ensure participants comfort and is easy to reach by public transport.
- Check for Health and Safety implications of the venue

- Keep accurate records of attendees, this will be necessary for the monitoring of your activity
- Provide an evaluation form for attendees to complete at the end of the activity
- For activities which may last longer than a couple of hours, provide refreshments and ensure that “comfort breaks” are provided for in your timetable

Some more good advice!

- **Don't panic.** You can run an activity if it looks a little daunting at first.
- **Do start with the end in mind.** It is all too easy to get side-tracked by ideas and opportunities that come along during the course of the project. Remember your objectives, be clear about them and don't get distracted from trying to achieve them.
- **Don't expect others to be as enthusiastic as you about your activity.**
- Remember the project is only *your* special pet interest. So don't be disappointed if others are not as excited as you are. Part of your role is to promote the value of your activity and to engage the interest of others, particularly of those whose cooperation you will need.
- **Do tackle problems before they snowball into something bigger.** Try to address small concerns and difficulties as they arise. Ignoring them could well mean they grow into bigger issues that are far more difficult to resolve.
- **Do share your experiences, especially with other groups.** Establish a network of contacts to talk through ideas, problems, and solutions and to celebrate with.
- Think about setting up a support group with other organisations and getting together to help each other.

Monitoring and Evaluating Your Activity

Monitoring (*Output measures*) is about gathering information on your activity, i.e. numbers attending, levels of participation and checking the cost of your activity. Keep the monitoring system simple, monitoring systems will fail if they generate unnecessary paperwork. Use the systems you already have, diaries, attendant's sheets, publicity materials, list of invitees and, of course your budget. This is most important, as it will give you all the financial information you may need to supply to your funders. Evaluating (*Outcome measures*) is about measuring the impact of your activity. This can take some time to filter through and is harder to measure. It is not always possible to measure the outcomes and sometimes you need to make an informed judgement about the effect of your activity. You need to ask yourself, did the activity create change? What impact did the activity have on participants? What is happening as a result of the activity?

Most evaluating is about asking people questions about how the activity has gone and how it affected them, (*this is where your evaluation form comes in handy*). This can be done in groups or individually, using a wide variety of techniques, and can be written or oral, e.g. questionnaires, interviews focus groups, group discussions diaries etc.

Why bother to Monitor and Evaluate?

- To ensure that you meet your aims and objectives
- Know if what you are doing works and is appropriate
- Improve things
- Meet the requirements of your funders
- Provide evidence of the effectiveness of your work.

The evaluation report should be a written report covering the following:

- A critical and detailed analysis of the activity and of your own performance in organising the activity
- An evaluation of organising teams performance
- Details of problems that arose and how they were solved
- Details of deadlines set and whether they were met

- Recommendations for how you would improve the organisation of the activity, (*if you were to tackle this again!*)
- A review of what happened and whether your objectives were met at the end of the activity. Whether the work was worth doing, whether resources were well used and what remains to be done.

A List of Useful Websites and Publications

<https://www.ncvo.org.uk/practical-support/consultancy/ncvo-charities-evaluation-services>

“The Complete Guide to Creating & Managing New Projects” by Alan Lawrie, published by The Directory of Social Change.

“Voluntary but not amateur” A guide to the law for voluntary and community groups, by Duncan Forbes, Ruth Hayes and Jacki Reason and published by London Voluntary Service Council.

“Just about Managing” Effective management for voluntary organisations and community groups, by Sandy Adirondack and published by London Voluntary Service Council.

For new and small organisations the policies and procedures outlined above should be adequate to address most development issues. However, “from little acorns...” organisations grow, expand their activities, obtain premises and employ staff. At some point the organisation and its funders will require a more sophisticated approach to the strategic planning of services.

A **Quality Assurance System** is a systematic approach to identifying and responding to the needs of your users by providing an appropriate service consistently and to agreed standards. You should also be able to provide evidence that you are doing so. There are a variety of quality assurance systems on the market.

For organisations employing up to 20 staff the most commonly used quality assurance system is Trusted Charity formerly PQASSO (Practical Quality Assurance System for Small Organisations) see their website:

https://www.ncvo.org.uk/images/documents/practical_support/pgasso/NCVO_Achieving%20the%20PQASSO%20mark_2016.pdf

PQASSO a practical quality assurance system for small organisations - is now a nationally recognised standard used by many local authorities as the recommended quality system for funded organisations, and is being used as a working model by various national voluntary organisations.

A further development that may be required is to establish a **business plan**. A business plan is different from other plans in that it has detailed financial forecasts for the organisation as a whole. Some of the elements that are likely to be in any business plan are:

Where are we now? A description of the values, assets, activities, staff, expertise and experience of the organisation. Many groups use **SWOT** and **PEST** analyses to describe their current situation.

Where we want to get to? A description of the overall purpose of the organisation and its objectives for the next 3-5 years.

How do we get there? The strategies (finance/fundraising, staffing, IT, marketing) needed to gain the objectives. The resources required – staff, skills, training, money. Financial and **cashflow** projections, detailed in the first year, more of an outline in years 2 and 3, etc.

From a community organisation perspective, see the National Council of Voluntary Organisations website: <https://www.ncvo.org.uk/practical-support>
From a business perspectives see - <https://www.gov.uk/>

At different times in the life of a group it is important to stop and take stock. The original group will do this when the group starts, to establish what they are trying to achieve and if it is possible with the numbers of people they have involved at that time. It is useful to do this again after some of the early goals have been achieved. It may be that some of the early goals were unrealistic or unnecessary as the group began to operate. If a group evaluates itself in an objective way it can more productively channel its energies. In this way the group can develop a strategy and annual plan.

Often issues are forced on to a group at a particular time forcing them to react rather than to be pro-active. On these occasions a quick evaluation of the problem and possible solutions is all that can be achieved in the time available. However, when time permits it may be helpful for the committee to look at the types of issue they are likely to face and discuss possible solutions.

It is helpful therefore if the committee briefly evaluate the group on an annual basis. If this can take place just before the AGM then the new goals and activities can be communicated to the group at the meeting. From time to time new members will join the group with new ideas and skills and it is helpful if the committee can be aware of these people also.

Many groups in the early days may be satisfied to provide information and support and this is an excellent place to start. Fund-raising, lobbying, welfare benefits issues and larger projects may need to be worked on in conjunction with other groups in the area after the group has established itself and understood its limitations.

The areas that the group may become involved in are often best identified by the committee, through discussion with the members of the group and other local agencies. By evaluating at regular intervals the group will stay relevant and hopefully not grow stale. Clearly there are always new battles to fight and more issues to tackle than can be undertaken by the group at any one time. However, there is a need for local support and information for local people and by planning how this can best be achieved; the group is more likely to achieve the best results.

Here are a few pointers when considering the future:

Annual planning session

- What are we trying to achieve, what is our goal?
- How will we make this happen?
- How many people do we need to complete this task?
- Do we have the people with the necessary skills, or can they be trained?
- If they need training can this be obtained locally, cheaply?
- Will this issue become the main focus of the group and is this acceptable?
- How much will this cost the group, do we already have the funds or will we need to fund raise first?
- If we achieve our goal what will be the benefits to people in this area? members of the group?

This is the starting point for planning, and groups will inevitably discover more questions as they continue, but do not let this exercise put you off. There is a famous saying that any organisation needs a goal and if you aim at nothing then you will surely hit it! If your group is ready to plan then much ground work has already been done, **be encouraged** that planning now, although a bit tedious, may save hours in wasted time later.

SECTION 9

EMPLOYING STAFF: RUNNING AN OFFICE

Brief Introduction

Some groups may consider the appointment of staff. While this represents a welcome step forward in the amount of work that can be achieved by the groups, the decision to take on staff members also brings with it a number of responsibilities that need to be fully considered before funding is sought and appointments are made. There is a range of complex tasks involved in the recruitment, selection and management of staff. At an early stage a number of key issues should be addressed.

Where will the worker(s) be based?

There are implications, financial and otherwise, to the siting of staff members in an office, shared or otherwise, or in their own home. Although it is likely to appear to be more expensive, sharing an office brings a number of advantages it:

- Offers greater support to staff.
- Helps increase the profile of the group.
- Should offer shared access to resources e.g. photocopiers, fax etc.
- Is likely to improve fundraising.
- Avoids the complication of the staff member having to deal with the implications of using their home as an office. Not everyone has a spare room.

How will the workers(s) be managed?

It is important to be clear about which areas of work will be focused on and the lines of accountability, to avoid confusion. Supervision and support for the employee will need to be worked out. Many organisations recommend involving an external supervisor to provide valuable support although there is likely to be a financial consequence to providing this.

How will the worker(s) be paid?

The mechanics of payment need to be resolved, including PAYE and in most circumstances National Insurance payments, although local umbrella voluntary organisations may be able to put you in touch with organisations offering such a service for a small charge. An information pack on Registering with the Inland Revenue as a new Employer is available from the Inland Revenue.

Having reached the stage where these important issues have been resolved, the following represent some ideas and suggestions about the procedures to follow.

As suggested above, before any worker(s) are appointed, there are a number of areas to think through:

- What tasks should be done by the management committee.
- What tasks could be delegated to staff.
- How would the committee delegate tasks and keep itself informed of all decisions and action.

Job description & person specification

The above information should be used to compile a job description outlining the tasks and responsibilities a staff member would be expected to carry out. The job description needs to be clear as this will form part of a contract of employment for a paid staff member. It should

also include the job title, the person to whom the worker is responsible, hours of work and a summary of the main conditions of employment.

A 'person specification' should also be compiled by identifying the skills, experience, qualifications and qualities that are essential and desirable to carry out the tasks effectively. Make sure that these criteria are genuine requirements (e.g. is a driving licence essential?). All employees should have a job description outlining the tasks and responsibilities involved in their work. It should form part of a contract of employment and cannot be changed without the staff member's consent. Specifically, the job description should include:

- The job title
- The main purpose of the job
- To whom the worker is responsible
- For whom the worker is responsible
- Main working contacts
- The key areas of the job
- The main tasks in each key area
- Hours of work
- Any special circumstances or requirements connected to the job

A person specification describes the knowledge, abilities, skills and experience needed for the post and should be based on the tasks outlined in the job description. All specifications should state the minimum qualifications and experience needed to be eligible which should have been checked to ensure that they are absolutely necessary. Think about whether academic or previous experience, in similar employment, is necessary. Other qualities may be just as important, e.g. personal experience relevant to the aims of your organisation or knowledge of the local voluntary and statutory sector. There are agencies who will handle all advertising and recruitment for a price. They will prepare application packs and job descriptions and handle selection, shortlisting etc.

THE RECRUITMENT PROCESS

The Application Form

An application form will normally be used for candidates to express an interest in any post. Use a standard form rather than ask for a CV and letter of application. It is far easier to compare applications without bias if the information is presented in the same way.

The application form should be clear, well-structured and only ask for information relevant to the post. It should also be looking for evidence of the knowledge, skills etc. listed in the person specification. Applications forms should include:

- Name
- Address, home and work phone numbers
- Details of current or most recent employment, duties involved, date of joining and leaving, if appropriate
- Details of past employment
- Education and qualifications of relevance to the post
- Relevant experience both paid and voluntary (encourage applicants to address the person specification requirements in their responses)
- When the applicant will be able to take up the post

The name and address of two referees, one of whom should be the current or most recent employer, college or school. Ask whether the current employer may be contacted before interview and whether the applicant wishes to be informed before referees are contacted.

Allow enough space for employment details and a general statement in support of the application. Make it clear that applicants should base their replies on the person

specification. You should avoid potentially discriminatory questions such as marital status, place of birth, date of birth, religion or details of dependants.

Once you have a clear job description and person specification and your application form is ready, write a job advertisement to include the job title, a brief description of the job, hours of work, salary, closing date and who to contact for more information. The organisation's approach to Equal Opportunities should also be clearly stated.

The purpose of the advertisement is to attract good applicants and deter unsuitable people. It is important that the advertisement is placed carefully to make sure it reaches a wide range of people, but giving consideration to your budget.

Selection

A selection panel needs to be appointed from management committee members and possibly other independent experts. This needs to include at least two people but no more than four or five and they should be involved throughout the selection process. The selection panel needs to know about the work involved, the job description and person specification and any other relevant information.

The first stage in selection involves compiling a shortlist of applicants to invite for interview. This should begin immediately after the closing date for applications. The selection panel should devise a checklist for judging applicants, based closely on the job description and person specification.

Members of the selection panel should shortlist individually, recording their views on the checklist, before reaching a final decision in discussion with the rest of the panel. The final list of short-listed applicants should be invited for interview. Applicants who have not been short-listed should be notified.

Letters to those invited to interview should state:

- The date and time of the interview
- Its approximate length
- Where it is to be held and how to get there
- Whether travel expenses will be paid
- Details of any test or presentation required including a request of notice if particular presentation media is required (OHP etc.)
- That referees have been contacted (if appropriate)
- Who will be on the interview panel
- Candidates should be asked to confirm that they are attending and if specific equipment or access is required.

Interviews

The interview stage needs to be planned well. It gives an important image of the organisation. A list of questions to be asked should be agreed in advance. They should relate closely to the job description and person specification and should not include questions that may be discriminatory (e.g. asking women about childcare arrangements). A member of the panel should be chosen to steer the interviews and decide who will ask questions on specific topics. One member of the panel should be able to give information about terms and conditions.

Selection panel members should agree criteria for judging candidates in advance of the interview. The criteria should be based on the job description and person specification. You may want to prepare a short test for your interviewees based on the skills you have stated in the person specification to be essential e.g. knowledge of particular computer software, an ability to compose and type correspondence. Some organisations prefer to ask candidates to prepare a presentation related to the work of the post. This should be for no longer than 15 minutes. Be prepared to provide the necessary equipment e.g. overhead projector or flip

chart, or state the specific format the presentation should take. The latter approach can stifle individual flair and creativity, but candidates should be reminded to let you know if specific equipment is required, within reason.

Panel members should make brief notes during or after each interview and discuss their opinions only after all candidates have been interviewed. Their final decision might be based on a candidate's ability to do the job or, given appropriate support, their potential to do the job.

The successful applicant should be contacted as soon as a decision is reached, by telephone if possible, and this should be followed by a formal offer in writing. Be clear if the offer is subject to references.

The letter of appointment forms part of the contract of employment and should contain the following:

- Starting date
- Starting salary
- Job title
- Any conditions of employment e.g. whether it is subject to a medical or receipt of satisfactory references.
- A request for further information or documents needed, e.g. P45
- A request for a reply in writing

Unsuccessful candidates should be informed as soon as possible.

Contract of Employment

A written contract of employment must be issued to employees stating the employers and employee's rights and responsibilities. A contract should define clearly for the new worker, other staff and the management committee, what is expected of the worker and the organisation. It should include:

- Name of employer
- Name of employee
- Job title
- Start date of employment
- Dates and arrangements for probationary period, if applicable
- Rate of pay and payment arrangements
- Hours of work
- Length of contract
- Holiday entitlement
- Sick pay arrangements
- Pension rights
- Amount of notice the employer and employee must give
- Disciplinary and grievance procedures
- Any other agreed conditions of employment (see below)
- Requirements that employees accept organisational policies such as Equal Opportunities
- Any additional requirements which might be a condition of funding arrangements
- There is a legal minimum of provision in employment which employers must comply with. This includes: Equal pay
- No discrimination on grounds of sex, marital status or race (except where this is a genuine qualification for the job) criminal convictions (except for specific posts which fall outside the provisions of the legislation) and trade union activity
- Work in a safe and healthy environment, including the management of health and safety, provision and use of work equipment, and health, safety and welfare in the work environment.

- Paid time off for antenatal care
- Statutory sick pay if weekly earnings exceed a specific amount
- Compensation for illness or injury during the course of employment
- Other statutory rights depend on the length of service and include rights to maternity pay, time off for trade union activities and redundancy notice and payment. Employers can choose to provide enhanced employee conditions and many do. Any enhancements will need to take financial circumstances into account but could include:
 - Hours of employment including flexi time and job-sharing
 - Holiday entitlement and pay
 - Arrangements for maternity and parenthood, sickness, compassionate leave, and retirement and pensions
 - Provision for religious observances
 - Provision of support and supervision

Paying staff

It is the employer's responsibility to deduct tax and national insurance through PAYE from full and part-time employees' wages and to pay this monthly to the Inland Revenue. The employer must register new workers and, once a year, must send a list of employees to the Inland Revenue. The employer has a legal duty to keep records of tax, national insurance and statutory sick pay. Employees are entitled to a pay slip detailing their pay, tax, national insurance and any other deductions. All employees are entitled to an annual certificate of earnings and tax deducted.

The employer must inform the Inland Revenue of temporary and casual staff, completing a tax and national insurance deduction sheet.

Before the employee starts work

Think about how you will introduce them to the organisation, people and job through:

- Preparing working facilities
- Induction programme
- Initial work programme of priority tasks

Once in post, there should be a planned review process with a named person to review progress, plan work programmes and identify training, development support and information needs. This should take place halfway through and at the end of the probationary period and, assuming the probationary period is successfully completed and the contract confirmed, then at regular intervals throughout employment.

Fixed term contracts

A fixed term contract is one that comes to an end after a specified time. If such a contract is not reviewed, employees can claim unfair dismissal or redundancy pay if they have worked long enough to qualify. However, the law allows employers to exclude the unfair dismissal and redundancy provisions and to terminate the contract at this end of the fixed term if the employee agrees in writing. If an organisation requires this agreement, it should be made clear in the recruitment process. The agreement to exclude the unfair dismissal and redundancy provisions should be contained in the initial contract of employment.

Staff on fixed term contract should be informed in writing that their contract will not be renewed at least one month prior to the end of the contract. This may be necessary if a grant that pays the salary of this member of staff cannot be extended.

As an employer you are responsible for ensuring that you adhere to all Health and safety legislation as it applies to your organisation. There is more information about this in other chapters. You should also know what the First Aid requirements are for your organisation.

Staff Handbook

It is good practise to develop a staff handbook that details your policies on such things as:

- Induction Procedures
- Flexi time
- Annual Leave
- Sick Leave
- Absences and their notification
- Expenses Procedures and Subsistence Rates
- Performance reviews /Appraisals
- Grievance procedures
- Disciplinary Procedure
- Pension Arrangements

This is not an exhaustive list but these are some of the areas that might be included. The LBH Corporate & Community Resilience Team can help, but there are lots of books on these subjects – some from National Council for Voluntary Organisations (NCVO) Tel: 0207 520 2528 Website: www.ncvo.org.uk

SECTION 10

CLOSING A GROUP OR ORGANISATION

Consider your Options

There are many reasons why a local group may face closure.

It may be that the group:

- Has completed the piece of work it was set up to do
- Has run out of money
- No longer has enough members to operate its committee and so deliver a service to its members
- No longer has sufficient members requiring the service
- No longer has premises from which to operate
- Its practises and procedures are poor leading to disrepute for the organisation

When the group is struggling, consider the following options:

- Closure is not inevitable.
- Many groups go through 'lean' times – it may be that you need to re-consider your current strategies - consult with people to understand their needs
- Develop some information flyers etc. and distribute them widely
- You can obtain help from the LBH Corporate & Community Resilience Team who can work with your group's committee or can put you in touch with similar local groups for support and encouragement
- Advertise details of your group in the LBH Community Directory
- Use the local press – many papers will advertise free of charge for local charities
- Use your local libraries, doctors' surgeries, health centres, community centres and anywhere where people wait for any length of time to display a flyer advertising your group
- Talk to local influential people to try to gain their support and access to their network of contacts

- Tighten up your practises and procedures, making sure you have good policies in place for protection of vulnerable people and health and safety
- Ensure you have sound management of your finances

If closure is inevitable:

- There are things to consider:
- The decision must be taken by all members at a properly convened AGM or EGM.
- Permission should be sought formally in writing from the members, after all alternatives
- All members of the group should be notified that the group is now closed. It may help to include details of any similar groups in the local area or in neighbouring boroughs.
- If your group is a member of a national body, they may have procedures for how you must close the group. Contact them as soon as you consider closing for help and advice.
- You may consider joining forces with another local group.
- Your committee must decide what to do with the group's assets (equipment and property you own along with the monies in your bank accounts – after any bills have been paid).

The Dissolution clause in your Governing Document (**every Governing Document should have one!**) will dictate the course this decision must take. Many clauses simply state that the assets can be passed on to another charitable organisation with similar aims and objectives. If you decide to join forces with another group, providing your dissolution clause allows, you could transfer your assets to that group or the two groups could join together and form a new group. You will need to give this considerable thought.