



Thinking of setting up a voluntary or community group?

CORE01

What is a voluntary or community group?

Many 'good works' happen in the life of a community without any need for an organisation. However, a wide range of projects and activities do need some sort of structure to function properly. A voluntary or community group is an organisation which enables these types of activities to take place. The characteristics of a voluntary or community group are:

- that it is run on a 'not for profit' basis, i.e. the activity is not set up to make a profit which is paid to shareholders
- that its work has a social or environmental benefit
- it is run by volunteers at management committee level, although there may also be paid staff
- there is more than one person involved in running the group.

How is a group run?

When a voluntary organisation or community group is formed, it has to have some direction and be managed by someone. This is usually a group of people who meet on a regular basis and consider issues such as:

- how the group is organised
- how the group can achieve what it was set up to do
- how to raise funds
- whether to recruit staff and/or volunteers
- how current activities are progressing
- whether the group should be carrying out different activities
- how to address problems

This group of people is usually called the management committee or board of trustees. The management committee decides the organisation's policies and

values, oversees its general administration and is responsible for looking after finances and assets.

Depending on the size of the organisation, more day-to-day jobs may be delegated to staff, other volunteers, or sub-committees. More detailed advice on setting up a management committee is in our information sheet CORE04.

Choosing a structure for your group

It is important to ensure that you choose an appropriate structure for your group. Whether you choose a formal or informal structure, the group must be run in the best way to achieve its aims.

To find out more about the various structures available, read our information sheet 'Legal structures for voluntary and community groups' – CORE02.

Writing a governing document

When you have chosen which structure is most appropriate for you, you will need to write out a set of rules which enable the organisation to function well. This governing document has a different name depending on the type of organisation you have chosen to set up, for example Constitution, Trust Deed or Memorandum and Articles.

Whatever the nature of the document, it is important that it has enough information in it to enable the organisation to run smoothly.

In order to draft a constitution of any sort, these are the minimum points you need to consider:

- What is the purpose of the organisation?
- Who will run the organisation?
- What powers and responsibilities will the management committee have?
- Where will you be based?
- Will the organisation have members?
- What are the rights of the members?
- How do you elect the management committee?
- How will meetings of the management committee be organised and how often will they take place?
- How will the accounts be managed and examined?
- Who is responsible for your assets?
- When will you have your Annual General Meeting?
- How do you call a Special General Meeting?
- How can the organisation be dissolved?

A sample basic constitution is available in our information sheet CORE03.

More information about drafting an appropriate governing document is available from the Charity Commission (see contact details at the end of this sheet).

Registering for charitable status

What is a charity?

Whether or not a group is a charity is a matter of law. Some situations are easy to decide, others are more complex. The Charity Commission makes the decision as to whether your project is charitable.

Who should register?

If your activities are charitable you must register with the Charity Commission. The only exception is very small organisations, ie: those with an income of less than £5,000 per year. All charities, whether registered or not, are subject to the Charities Acts and the regulation of the Charity Commission. Registration is not an optional extra.

What are the benefits?

- Many funders will only give grants or contracts to registered charities
- Registered charities are entitled to 80% mandatory rate relief, plus a further 20% at the discretion of your local authority.
- The Charity Commission can provide assistance if the organisation gets into severe difficulties.

How do you apply?

There is a formal application procedure. You should contact the Charity Commission and obtain a Registration Information Pack.

For further information about the Charity Commission, and about setting up a charitable organisation, go to **www.charity-commission.gov.uk** or call **0845 300 0218**

You can write to the Commission's South West office at:

Woodfield House
Tangier
Taunton
Somerset
TA1 4BL