

**Section 1**  
**Governing Document**

## 1.1 What is Governance

*It should be noted that some of the content of this section is referenced from NICVA's Advice Note 2: Committee Procedures - July 2013 and Advice Note 3: Legal Structures for Voluntary and Community Groups – July 2013. These Advice Notes are an excellent place to review the type of structure most suitable for an organisation. Voluntary Management Committee Members Information Sheet by the Volunteer Development Agency is also cited.*

Governance is the set of systems, principles and processes by which an organisation is governed. It provides the guidelines as to how an organisation is directed and controlled so that it can fulfil its vision and objectives. Good Governance is about setting the strategic direction for an organisation – charting where it is going, why and how and knowing when you have got there or not as the case may be. It includes preparing and following a strategy or business plan; developing and reviewing policies and ensuring that the organisation is sufficiently resourced and managed to meet its targets. It is all about the relationship between the organisation's management and other stakeholders including funders and users.

Management is about implementing the strategy and plans of the group on a day-to-day basis, ensuring that the group is functioning effectively and efficiently. This includes financial management as well as compliance with responsibilities under legislation like Data Protection, Equalities and Health and Safety.

All organisations will have a volunteer committee (or board) who will be responsible for taking care of the organisation on behalf of the general members immaterial of their size or legal structure.

Having a strategy/ business plan and/or a project plan gives a sound basis from which to start.

### **General Committee Responsibilities**

Committee members have collective general responsibilities that underpin any legal requirements whether they are members of an unincorporated or an incorporated body.

The committee are appointed to manage the group on behalf of the members. They therefore need to be forward thinking, have foresight and should plan your group's development. Monitoring and reviewing progress on the way is essential to this. Every Management Committee should provide leadership to the organisation by:

- Setting the strategic direction to guide and direct all activities
- Ensuring the effective management of the organisation and its activities
- Monitoring the activities of the organisation to ensure they are in keeping with the founding principles, objects and values

Management Committees are also frequently referred to as of Trustees, Governing Bodies, or Executive Committees. The name depends on what type of legal structure an organisation has and whether it is registered as a charity.<sup>1</sup>

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<sup>1</sup> Voluntary Management Committee Members Information Sheet – Volunteer Development Agency

The table below reflects this.

Legal Structure	Name of Governing Document	What the committee is usually called
Unincorporated Association	Constitution	"Management Committee" or if the organisation is a charity "Board of Trustees"
Company Limited by Guarantee	Memorandum and Articles	"Board of Directors" or if the organisation is a charity "Board of Trustees"

## Responsibilities of Management Committees<sup>2</sup>

Management Committee members play an important role in organisations as both leaders and decision-makers. Their overall responsibilities are summarised below:

### Vision and Leadership

Ensures that everything the organisation does supports its vision, purpose and aims. They establish the fundamental values, the ethical principles and strategic direction in which the organisation operates.

### Accountability

Accounts for everything the organisation does including; its spending, activities, and monitor / evaluate all areas of performance. As the Management Committee is in place to manage the resources and activities of the organisation on behalf of its members, supporters and other stakeholders, their management needs to be both effective and transparent. It is important that they are able to demonstrate their accountability to stakeholders through ensuring that appropriate systems and procedures are in place. By doing so, they reduce their risks of personal liability should things go wrong.

### Keeping it Legal

The Management Committee has an obligation to ensure compliance with all relevant legal and regulatory requirements and seek guidance around any uncertainties. Everything the Management Committee and the organisation do must also be in line with its governing document, e.g. constitution or memorandum and articles of association. As such, it has a duty to ensure that it is treating people fairly, recognising that people are individuals, and ensuring their safety. Whatever the size or structure of your group (and irrespective of whether or not you have charitable status) there will be legislation about which your committee will need to be aware and comply.

These will typically include:-

- Equality laws
- Data Protection
- Health and Safety
- Licensing Laws (if your group is holding events; serving alcohol; playing music or providing entertainment)

<sup>2</sup> <http://www.diycommitteeguide.org> and Voluntary Management Committee Members Information Sheet – Volunteer Development Agency

- Child Protection/Vulnerable Adult Protection (If your group has volunteers or staff who work with children or protected adults, the Protection of Vulnerable Groups Act means that your group will need to register for Disclosures)
- Employment laws
- Food Hygiene regulations

It is the committee as a whole (and not just those acting as chair, vice-chair, treasurer or secretary) that has a legal obligation to make sure the group's legal duties are fulfilled.

### **Financial Oversight**

Ensure that all money, property and resources are properly used, managed and accounted for. In order to be accountable, suitable systems must be in place and kept up to date. They also need to be able to produce proper Annual Accounts in the format denoted by the group's structure and/or charitable status.

### **Managing Staff and Volunteers**

In organisations that employ staff, the Management Committee is essentially the employer. They must ensure that appropriate policies and procedures are in place for staff and for volunteers, and that both are properly managed and supported. The Management Committee, usually represented by the Chair, also directly line manage the most senior staff member.

The committee has a role in managing everyone involved in the delivery of activities and services of the group - volunteers and/or paid staff. If your group is employing staff then the committee (or board) becomes the employer.

### **Liability and Legal Structures<sup>3</sup>**

The Management Committee is responsible for the consequences of actions taken or not taken by the organisation, its staff, volunteers and other Management Committee members (referred to as liability). The distinction between types of legal structure for organisations in the Voluntary and Community Sector is significant, particularly because it affects the personal responsibility of individual Management Committee members if something goes wrong.

Management Committee members must be aware that, no matter what legal structure the organisation has, they have a duty to ensure that the organisation complies with the law, that it is being properly run, and its funds are spent for the purposes intended.

Unincorporated Associations	Incorporated Organisations
<p>Unincorporated organisations do not have an independent legal identity.</p> <p>Therefore, if the Management Committee enters into any contractual or other arrangements they must do so by contracting in their capacity as Management</p>	<p>Incorporated organisations (e.g. Company Limited by Guarantee) are set up as a separate legal entity (i.e. recognised in law as an 'artificial person').</p> <p>They can therefore enter into contracts and other legal relationships under the name of the organisation, rather than under the name of</p>

<sup>3</sup> NICVA Advice Note 3: *Legal Structures for Voluntary and Community Groups – July 2013 – extracted from Voluntary Management Committee Members Information Sheet – Volunteer Development Agency*

Unincorporated Associations	Incorporated Organisations
<p>Committee members.</p> <p>As a result, they are "jointly and severally responsible" for the affairs of the organisation.</p> <p>It is therefore possible for them to be held personally responsible to settle any debts or other liabilities that may occur (e.g. fees for professional services, rent under a lease, or damages for breach of contract).</p> <p>For this reason, many unincorporated organisations seek to become incorporated (e.g. Company Limited by Guarantee) as their activities and legal relationships expand.</p>	<p>individual committee members. This provides Management Committee members with some protection in law known as 'limited liability'.</p> <p>If things go wrong, it is the organisation that is generally named in a legal action rather than individual Management Committee members.</p> <p>Even in the event of the organisation closing down with outstanding debts, they may only have to pay a nominal amount, usually £1.</p> <p>However, Management Committee members of an incorporated organisation can still be personally liable for losses where they have failed to act responsibly, for example in relation to negligence, fraud, wrongful trading, or breach of statutory duties.</p>

### What is a Committee?<sup>4</sup>

A committee is a mechanism for bringing people together to consider issues and make decisions. The Committee is responsible for governing the organisation in line with its governing document.

A committee may simply be called 'the committee' or it may have another title as laid down in the governing document, such as:

- The Trustees
- Board of Trustees
- Executive Council
- Executive Committee
- Management Committee
- Central Committee
- Board of Directors

### The Governing Document<sup>5</sup>

The governing document is the source document from which the committee's powers are derived. It is usually a constitution, trust deed or memorandum and articles of association. The governing document of an organisation usually states:

- The objects of the organisation – that is, what it is established for (also called aims or purposes)
- Who is eligible to apply to become a member of the organisation
- The rights of the members of the organisation
- How the committee is constituted

<sup>4</sup> NICVA's Advice Note 2: Committee Procedures - July 2013

<sup>5</sup> NICVA's Advice Note 2: Committee Procedures - July 2013

- How and when general meetings of the whole membership are called, and what business is to be conducted at annual general meetings
- How the finances are to be controlled
- How the governing document can be altered
- How the organisation may be dissolved.

A governing document normally recognises that:

- It is not practical for all the members of a group to run it (except perhaps in a very small group)
- The members' powers are, therefore, delegated to a committee made up of some members, and the committee acts in the name of (on behalf of) all the members
- Some powers are not delegated to a committee, but are held onto by the whole membership, e.g. election of a committee, altering the constitution, deciding to dissolve the organisation
- The committee is answerable to the members meeting together at an annual general meeting or a special general meeting.

### **Responsibilities and Rights of Committee Members<sup>6</sup>**

- 1) A Committee member is expected to:
  - Attend regularly - send an apology if you can't
  - Find out if the committee has rules/ regulations - are these written down?
  - Participate in decisions - don't be shy
  - Carry out any tasks you agree to take on - say beforehand if you are unable/ unwilling
  - Offer to lead if you have special skills
  - Be loyal to the committee – respect confidentiality.
- 2) A committee member should understand their legal responsibilities:
  - Employment of paid staff
  - If children are involved, conform with child protection law and policies
  - Conform to health and safety regulations.
  - Obtain adequate insurance
  - Make it your business to monitor finances (if insolvency results, you may be personally liable)
  - Remember that if you are a committee member of a charity, you are a trustee of that charity
  - Remember you are accountable to the membership as a whole.
- 3) A Committee member has rights to match their responsibilities:
  - The right to correct information
  - The right to be heard
  - The right to be consulted
  - The right to respect and loyalty from colleagues

While the Management Committee as a whole is responsible collectively for decisions made, it is important to be aware of the individual responsibilities and duties of committee members. Outlined below are the duties for Directors (Company

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<sup>6</sup> *NICVA's Advice Note 2: Committee Procedures - July 2013*

Limited by Guarantee) and Charity Trustees: (Unincorporated Association). Directors Duties taken from the Companies Act (Company Limited by Guarantee).<sup>7</sup>

- Duty to act within powers (as set out in Memorandum and articles);
- Duty to promote the success of the company;
- Duty to exercise independent judgement;
- Due to exercise reasonable care, skill and diligence;
- Duty to avoid conflict of interest;
- Duty to not accept benefits from third parties;
- Duty to declare interest in proposed transaction or arrangements.

### **Charity Trustees Duties taken from Trust and Charity Law (Unincorporated Association)**

- Exercise powers in a prudent and business-like way;
- Exercise such care and skill as is reasonable;
- Act honestly and in good faith in all dealings;
- Not benefit personally;
- Take joint decisions with other directors;
- Take proper financial advice when investing charity funding.

### **Some questions boards should regularly ask**

- Are the governing and policy documents up to date?
- How are trustees carrying out their responsibilities?
- What areas need improvement?
- What can be done to make improvements?
- Is there a sufficient number of board members to discharge business?
- Is the current committee structure sufficient to handle the board's workload?
- Are board meetings conducted effectively?
- Do agendas cover policy issues rather than administrative trivia?
- How can the value of meetings be enhanced?
- Is there sufficient opportunity for the board to hear about the complexity of certain issues before making decisions?
- Is the majority of the board involved in making the board's decisions?
- Is the board supporting and evaluating the chief executive?

### **Characteristics to watch that could sabotage a meeting**

These behaviours need to be checked immediately by the chair in order to keep the meeting effective

- Turn up late
- Forget to bring your papers
- Adopt a negative body posture, e.g. lounging

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<sup>7</sup> NICVA Introduction to Best Practice in Governance Training (Not available in public domain) quoted from *Voluntary Management Committee Members Information Sheet – Volunteer Development Agency*

- Use a negative body language to colleagues, i.e. look bored
- Maintain a whispered conversation with the person next to you
- Exchange conspiratorial glances (e.g. eyebrow raising) with one or two colleagues
- Use the time to catch up on your paperwork
- Fiddle about in your bag or briefcase
- Pass notes to people
- Smile and nod indiscreetly when people pass notes to you
- Engage in paralinguistic forms of argument, e.g. respond to colleagues' arguments by vigorously shaking your head from side to side and wrinkling your nose
- Cut across other people's points and change the subject
- Bring up issues which are not on the agenda
- Display strong emotions
- Split the meeting up by starting a small discussion with a small group and then gradually increase the volume of the breakaway discussion until the Chairperson panics
- Engage in mysterious or enigmatic chuckling, smiling and head shaking
- Block colleagues' arguments by claiming to be deeply offended at the very mention of the issue
- Look at your watch and sigh every few minutes
- Tell everyone that you cannot stay for the whole meeting
- Doggedly pursue your personal agenda

## 1.2 The Northern Ireland Code of Good Governance<sup>8</sup>

The voluntary and community sector in Northern Ireland has recognised the need to have its own set of standards in governance. It has published “The Code of Good Governance” which sets out seven principles of good practice in governance.

The Code of Good Governance is intended to help and support management committees, executive committees, boards of directors, boards of trustees or any other type of governing body in the voluntary and community sector hereinafter called the management committee/board.

The Code has been adapted from the English Good Governance Code which has been adopted by the voluntary and community sector in England and Wales. The Northern Ireland version of the Code (which varies in language only – the principles are the same) has been produced by the Developing Governance Group which is a group of voluntary and community sector associations, working to improve the quality of governance in voluntary and community organisations in Northern Ireland.

The Code sets out the seven key principles that form the basis of the Code together with the most important supporting principles. The Code sets out best practice, it is not mandatory. Organisations that comply with the Code are invited to state this in their Annual Report and other relevant published material. The Developing Governance Group has mapped the governance resources on the *diycommitteeguide* website to the principles of the Code to assist organisations to implement the Code. The principle of equality, of ensuring equity, diversity and equality of treatment for all sections of the community, has been applied throughout the Code.

Unlike the National Occupational Standards for trustees and management committee members which was developed as a standard for individual trustees, the Code of Good Governance sets out the principles and practices of good governance in an organisation as a whole.

**The principles are:**

Principle	What it means
<b>Principle 1: Management committee/ board leadership</b>	<p><b>The key principle: Leadership is one of the key roles of any management committee/board. Every voluntary and community organisation should be led and controlled by a management committee/ board which ensures delivery of its objects, sets its strategic direction and upholds its values.</b></p> <p>Supporting principles:</p> <p>The role of the management committee/board:</p> <p>The management committee/board members have ultimate responsibility for directing the activity of the organisation, ensuring it is well run and delivering the outcomes for which it has been set up.</p> <p>Every management committee/board should have a clear understanding of its roles and responsibilities and should provide leadership to the organisation by:</p>

<sup>8</sup> The Code of Good Governance – Volunteer Now -

<http://www.volunteernow.co.uk/fs/doc/publications/code-of-good-governance.pdf>

Principle	What it means
	<ul style="list-style-type: none"> <li>• Setting the strategic direction to guide and direct the activities of the organisation.</li> <li>• Ensuring the effective management of the organisation and its activities.</li> <li>• Monitoring the activities of the organisation to ensure they are in keeping with the founding principles, objects and values.</li> </ul>
<p><b>Principle 2: The management committee/board's responsibilities, legal requirements and obligations</b></p>	<p><b>The key principle: The management committee/ board members are equally responsible in law for committee/board actions and decisions. They are collectively responsible and accountable for ensuring that the organisation is performing well, is solvent and complies with all its obligations.</b></p> <p><b>Supporting principles:</b></p> <p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>• The management committee/board must ensure that the organisation understands and complies with its own governing document, relevant laws, contractual obligations and the requirements of any regulatory bodies.</li> </ul> <p><b>Internal controls</b></p> <ul style="list-style-type: none"> <li>• The management committee/board should maintain and regularly review the organisation's system of internal controls, performance reporting, policies and procedures.</li> </ul> <p><b>Equality and diversity</b></p> <ul style="list-style-type: none"> <li>• The management committee/board must ensure that it upholds and applies the principles of equality and diversity and that the organisation is fair and open to all sections of the community in all of its activities.</li> </ul> <p><b>Prudence</b></p> <ul style="list-style-type: none"> <li>• The management committee/board must act prudently to protect the assets and property of the organisation and ensure that they are used to deliver the organisation's objectives.</li> </ul> <p><b>Managing risk</b></p> <ul style="list-style-type: none"> <li>• The management committee/board should understand and regularly review the risks to which the organisation is subject and take action to manage the risks identified.</li> </ul> <p><b>Managing staff and volunteers</b></p> <ul style="list-style-type: none"> <li>• The management committee/board needs to understand the distinction between employees and volunteers and ensure that good practice in the recruitment and management of both staff and volunteers is in place.</li> </ul>
<p><b>Principle 3: The effective management</b></p>	<p><b>The key principle: The management committee/ board should have clear responsibilities and functions and should organise itself to carry out</b></p>

Principle	What it means
committee/board	<p><b>these responsibilities effectively.</b></p> <p><b>Supporting principles:</b></p> <p><b>Management committee/board member duties and responsibilities</b></p> <ul style="list-style-type: none"> <li>• Management committee/board members should understand their individual and collective roles, responsibilities and accompanying duties. They should have these clearly outlined in writing for all management committee/board members.</li> </ul> <p><b>The effective management committee/board</b></p> <ul style="list-style-type: none"> <li>• The management committee/board should organise its work to ensure that it makes the most effective use of the time, skills and knowledge of management committee/board members.</li> </ul> <p><b>Information and advice</b></p> <ul style="list-style-type: none"> <li>• Management committee/board members should ensure that they receive the appropriate advice and information they need in order to make good decisions.</li> </ul> <p><b>Skills and experience</b></p> <ul style="list-style-type: none"> <li>• Management committee/board members should have or ensure that they have access to the diverse range of skills, experience and knowledge needed to run the organisation effectively.</li> </ul> <p><b>Training, development and support</b></p> <ul style="list-style-type: none"> <li>• Management committees/boards should ensure that all their members receive the necessary induction, training and on-going support needed to discharge their duties effectively.</li> </ul> <p><b>Staff</b></p> <ul style="list-style-type: none"> <li>• The management committee/board should ensure proper arrangements for the supervision, support, appraisal and remuneration of all staff including the employee in the most senior position.</li> </ul> <p><b>Volunteers</b></p> <ul style="list-style-type: none"> <li>• The management committee/board should ensure proper arrangements are in place for the recruitment, supervision and support of volunteers including clearly defined written roles and a policy is in place to reimburse reasonable out of pocket expenses. Policies and procedures should refer to volunteers as well as paid staff as appropriate.</li> </ul>
<b>Principle 4:</b> <b>Performing, reviewing and renewing management committee/ board</b>	<p><b>The key principle: The management committee/ board should periodically review its own and the organisation's effectiveness and take any necessary steps to ensure that both continue to work well and meet legal requirements.</b></p> <p><b>Supporting principles:</b></p>

Principle	What it means
	<p><b>Renewal and recruitment</b></p> <ul style="list-style-type: none"> <li>Recruitment of new management committee/board members should be open and focused on creating a diverse, skilled and effective management committee/board. The management committee/ board should plan for and have a strategy for its own renewal.</li> </ul> <p><b>Review</b></p> <ul style="list-style-type: none"> <li>The management committee/board should periodically carry out reviews of all aspects of the organisation's work, starting with its governing document, and use the results to inform positive change.</li> </ul> <p><b>Performance appraisal</b></p> <ul style="list-style-type: none"> <li>The management committee/board should regularly review and assess its own performance, that of individual management committee/board members and of sub-committees, standing groups and other bodies.</li> </ul>
<p><b>Principle 5:</b>  <b>Management committee/ board delegation</b></p>	<p><b>The key principle: The management committee/ board should set out the functions of subcommittees, officers, staff and anyone performing duties on behalf of the management committee/ board in clear delegated authorities and should monitor their performance.</b></p> <p><b>Supporting principles:</b></p> <p><b>Effective delegation</b></p> <ul style="list-style-type: none"> <li>The management committee/board should ensure that staff, volunteers and anyone performing duties on behalf of the management committee/board have sufficient delegated authority to carry these out. All delegated authorities must have clear written limits relating to budgetary, reporting and other matters.</li> </ul> <p><b>Terms of reference</b></p> <ul style="list-style-type: none"> <li>The management committee/board should set clear terms of reference for sub-committees, standing groups, advisory panels, etc.</li> </ul> <p><b>Monitoring</b></p> <ul style="list-style-type: none"> <li>All delegated authorities must be subject to regular monitoring by the management committee/board.</li> </ul>
<p><b>Principle 6:</b>  <b>Management committee/ board integrity</b></p>	<p><b>The key principle: The management committee/ board should view maintaining the integrity and interest of the organisation as a primary overriding duty. They should act reasonably at all times in the interests of the organisation and of its present and future beneficiaries, users and/or members. All individual management committee/board members should act according to high ethical standards and ensure that conflicts of interest are properly dealt with.</b></p> <p><b>Supporting principles:</b></p> <p><b>No personal benefit</b></p>

Principle	What it means
	<ul style="list-style-type: none"> <li>• Members of the management committee/board must not benefit from their position beyond what is allowed by their governing document and the law and only when it is in the best interests of the organisation.</li> </ul> <p><b>Dealing with conflicts of interest</b></p> <ul style="list-style-type: none"> <li>• Members of the management committee/board should identify and promptly declare any actual or potential conflicts of interest affecting them, including conflicting loyalties which may arise when members are appointed as representatives of other organisations.</li> </ul> <p><b>Probity</b></p> <ul style="list-style-type: none"> <li>• There should be clear guidelines for receipt of gifts or hospitality by management committee/board members.</li> </ul>
<p><b>Principle 7:</b> <b>Management committee/ board openness</b></p>	<p><b>The key principle: The management committee/ board should be open, responsive and accountable to its users, beneficiaries, members, partners, funders and others with an interest in its work.</b></p> <p><b>Supporting principles:</b></p> <p><b>Communication and consultation</b></p> <ul style="list-style-type: none"> <li>• Each organisation should identify those with a legitimate interest in its work (stakeholders) and ensure that there is regular and effective communication with them about the organisation.</li> </ul> <p><b>Openness and accountability</b></p> <ul style="list-style-type: none"> <li>• The management committee/board should be open and accountable to stakeholders about its own work and the governance of the organisation.</li> </ul> <p><b>Stakeholder involvement</b></p> <ul style="list-style-type: none"> <li>• The management committee/board should encourage and enable the engagement of key stakeholders such as users and beneficiaries, in the organisation's planning and decision-making.</li> </ul>

### Good Governance Health Check<sup>9</sup>

The Good Governance Health check published in October 2010, again published by Volunteer Now, is an excellent resource for Community and Voluntary sector to use in assessing the health of their governance arrangements.

### Online Governance Resources

[www.diycommitteeguide.org](http://www.diycommitteeguide.org): A useful resource of practical help and support for management committees/boards which has been developed further to map the

<sup>9</sup> <http://www.volunteernow.co.uk/publications/?category=8&type=0&Search.x=47&Search.y=17>

information to the principles in the Code. It is also a signposting directory which includes links to all Developing Governance Group members including the training and support they offer.

[www.dsdni.gov.uk](http://www.dsdni.gov.uk): Best Practice in Finance and Governance in the Voluntary and Community Sector - a directional and support aid developed by Government and the Sector representatives.

[www.nicva.org](http://www.nicva.org): Specialist human resources, governance and charity law reform sections containing frequently asked questions and various advice notes.

[www.communityni.org](http://www.communityni.org): Dedicated social networking site which includes training information and events for the sector.

[www.volunteernow.co.uk](http://www.volunteernow.co.uk): Specialist information and guidance on all aspects of volunteering.

### 1.3 Skills Audit for Boards<sup>10</sup>

This skills audit was developed by Volunteer Now as part of its board support work under the Code of Good Practice. This is a useful place to start when considering what skills you currently have and what you need and is especially useful to undertake after you have developed a new Strategy or business plan. Listing the key skills and adding to this template would be useful.

Volunteer Now states that Management Committees operate most effectively when their members come with different skills, knowledge, backgrounds and experiences. This variety helps the Committee meet its many responsibilities and contributes to the dynamics and creative energy within the group.

Recruitment of new members presents an opportunity to identify and address gaps in representation and skills in a Committee's membership. Organisations need to consider whether their Management Committee have the skills and knowledge they need to lead and direct the organisation towards its vision and aims over the next 3-5 years.

The skills audit has 3 stages:

1. Identify the qualities, skills, and experience that you want your committee to have. *Please note this is a draft template and it is essential that you tailor it to the needs of your own organisation.* Consider the future development plans for your organisation to ensure that your Committee has the skills to lead the organisation over the next 1-3 years.
2. Ask each of your current Committee members to identify the skills and qualities they have and place a tick against these, in the individual columns (i.e. Board Member 1 use column A, Board Member 2 use column B.)
3. Once you have identified the skills you have you can see the gaps that exist.

Skills Areas	Current Committee Members								Gaps
	A	B	C	D	E	F	G	H	
<b>Qualities e.g.</b>									
Commitment to organisation									
Integrity									
Strategic Vision									
Good independent judgement									
Ability to work in a team									
Ability to think strategically									
Willingness to speak their mind									
Partnership working									
<b>Skills/ knowledge e.g.</b>									
Your organisation									

<sup>10</sup> <http://www.volunteernow.co.uk/publications/?category=8&type=0&Search.x=47&Search.y=17>



# Model Constitutions for an Unincorporated Association

## Constitution

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### 1 NAME

The name of the Association shall be \_\_\_\_\_ Community Association (hereinafter called "the Association").

### 2 OBJECTS

The Association is established to:

- 2.1 relieve poverty, sickness and the aged and to promote the benefit of the inhabitants of \_\_\_\_\_ and the district area of Castlereagh and its environs (hereinafter described as "the area of benefit") without distinction of age, gender, race, political, religious or other opinion, by associating the statutory authorities, voluntary organisations and inhabitants in a common effort to advance health, and to provide facilities in the interests of social welfare for recreation or other leisure-time occupation, with the object of improving the conditions of life for the said inhabitants;
- 2.2 In furtherance of the above objects, but not further or otherwise, the Association may:
  - 2.2.1 provide, maintain and equip or assist in the provision, maintenance and equipment of premises and facilities designed to carry out the objects of the Association;
  - 2.2.2 promote and carry out, or assist in promoting and carrying out research, surveys and investigations and publish the useful results thereof;
  - 2.2.3 obtain collect and receive money by way of grants, donations, bequests, legacies or other lawful method, provided that the Association may not engage in any form of permanent trading;
  - 2.2.4 purchase take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights and privileges necessary for the promotion of the above objects and construct, maintain and alter any buildings or erections which the Association may think necessary for the promotion of its objects;
  - 2.2.5 make any regulations for any property which may be so acquired;
  - 2.2.6 subject to any consents as may be required by law, sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Association with a view to the furtherance of its objects;
  - 2.2.7 receive money on deposit or loan and borrow or raise money in such a manner as the Association shall think fit subject to such consents as may be required by law;

- 2.2.8 invest the monies of the Association not immediately required for the furtherance of the said objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law;
- 2.2.9 recruit and train volunteers with relevant skills to carry out the objects of the Association;
- 2.2.10 employ and pay any person or persons, not being a member of the Management Committee referred to below ("the Committee") to supervise, organise and carry on the work of the Association and make all reasonable and necessary provision for the payment of remuneration to employees;
- 2.2.11 promote and organise co-operation in the achievement of the above objects and to that end to work in association with local authorities and voluntary organisations engaged in the furtherance of the above objects in the area of benefit;
- 2.2.12 do all such other lawful things as may be necessary for the attainment of the above objects or any of them;

### **3 MEMBERSHIP**

- 3.1 Membership of the Association shall be open to the following, irrespective of gender, political party, nationality, religion or political opinion:
  - 3.1.1 people aged sixteen years or over living within the area of benefit who subscribe to the objects of the Association and whose applications for membership are accepted by the Committee; such members shall be called Individual Members and shall be entitled to vote at meetings of the Association;
  - 3.1.2 organisations within the area of benefit, whether voluntary or statutory may upon application to and with the approval of the Committee be admitted as Affiliated Members and such approval shall not be unreasonably withheld;
  - 3.1.3 Well-wishers anywhere or persons who, in the opinion of the Committee have special knowledge or experience to offer to the Association; such members shall be called Associate Members and shall **have** the right to vote at meetings of the Association. The total number of Associate Members should not exceed 25% of the maximum committee places available.
- 3.2 Affiliated Members shall each be entitled to be represented at meetings of the Association by a duly authorised representative with power to vote on behalf of the Affiliated Member.
- 3.3 The Committee shall fix the rate of annual subscription appropriate to each category of membership, shall issue membership cards and shall have the right for good and sufficient reason to terminate the membership of any member provided that the member concerned shall have the right to be heard by the Association before a decision is made.

## **4 MANAGEMENT COMMITTEE**

- 4.1 Except as provided otherwise in this constitution the policy and general management of the affairs of the Association shall be directed by the Committee which shall meet not less than \_\_\_ times a year and shall consist of a maximum of \_\_\_ and not less than \_\_\_ members of the Association, elected at an Annual General Meeting. The total number of Associate Members should not exceed 25% of the maximum committee places available.
- 4.2 Nominations from full members of the Association for members of the Committee must be in writing and must be in the hands of the Honorary Secretary of the Association at least 7 days before the Annual General Meeting hereinafter mentioned.
- 4.3 Should the number of nominations exceed the number of vacancies, election shall be by secret ballot of the members of the Association present and voting at an Annual General Meeting.
- 4.4 Should the number of nomination be less than the number of vacancies, further oral nominations may with the approval of the Annual General Meeting be invited from members present and voting at the said Annual General Meeting.
- 4.5 The Committee elected at an Annual General Meeting shall have the power to co-opt further members, who shall be Individual Members [Associate Members] or representatives of Affiliated Members and who shall serve until the conclusion of the next following AGM PROVIDED THAT the number of co-opted members shall not exceed one-third of the total membership of the Committee. Co-opted members shall have the right to vote.
- 4.6 The Chairperson, Vice-Chairperson, Honorary Secretary and Honorary Treasurer, who shall be the Honorary Officers of the Association, shall be full Individual Members and shall be elected annually by and from the members of the committee at their first meeting following the Annual General Meeting.

The Office of Chairperson shall not be held by any one person for more than three consecutive years and such person can therefore only be re-elected as Chair 2 times in immediate succession save in exceptional circumstances as prescribed by the Management Committee. But in any event such person is eligible for re-election as Chair after having stood down for at least 1 year.

- 4.7 Any member of the Committee who fails to attend **3** consecutive Committee meetings without reasonable excuse shall lose her/his place on the Committee which may be filled by co-option in accordance with Clause 4.5 above.
- 4.8 The Trustees (if appointed) shall be notified of and shall be entitled to attend all meetings of the Committee but without the power to vote.

## **5 FUNCTIONS OF THE COMMITTEE**

- 5.1 The Committee may make such regulations as they consider appropriate for the efficient conduct of the business of the Committee and the Association.

- 5.2 The Committee may appoint such staff as they consider necessary on such terms and conditions as they may determine.
- 5.3 The Committee may appoint such sub-committees, advisory groups or working parties of their own members and other persons as they may from time to time decide necessary for the carrying out of their work and may determine their terms of reference, duration and composition. All such sub-committees shall make regular reports on their work to the Committee.
- 5.4 The proceedings of the Committee shall not be invalidated by any failure to elect or any defect in the election, appointment, co-options or qualifications of any member.

## **6 CHAIRING MEETINGS**

All meetings of the Association or of the Committee or of any of its sub-committees shall be presided over by its Chairperson failing whom its Vice-Chairperson, if one has been appointed. If neither the Chairperson nor Vice-Chairperson are present, those present may elect one of their number to take the Chair. The Chairperson of any meeting shall have a second or casting vote.

## **7 FINANCE**

- 7.1 All monies raised by or on behalf of the Association shall be applied to further the objects of the Association and for no other purpose PROVIDED THAT nothing herein contained shall prevent the payment of legitimate out-of-pocket expenses to members of the Association engaged upon the approved business of the Association.
- 7.2 The Honorary Treasurer shall keep proper accounts of the finances of the Association.
- 7.3 The financial year of the Association shall run from 1 April to 31 March.
- 7.4 The accounts shall be independently examined at least once a year by an independent person or organisation who shall be appointed at the Annual General Meeting
- 7.5 An independently examined statement of accounts for the last financial year shall be submitted by the Committee to Annual General Meeting.
- 7.6 A bank account shall be opened in the name of the Association with \_\_\_\_\_ Bank Ltd. or with such other bank as the Committee shall from time to time decide. The Committee shall authorise in writing the Honorary Treasurer and 2 members of the Committee to sign cheques on behalf of the Association. All cheques must be signed by not less than 2 of the 3 authorised signatories.

## **8 ASSOCIATION PROPERTY**

- 8.1 The Association will authorise no less than 3 people to act on its behalf in relation to the holding of any monies or property belonging to the Association - this will normally be the Office Bearers. Where required for legal reasons,

the Association may also appoint and may terminate the appointment of not less than 3 people to act as Trustees for the purpose of holding any monies or property belonging to the Association.

In the case of property/and or land purchase the title to all or any such real and/or personal property which may be required by or for the purposes of the Association shall be vested in the authorised individuals appointed Trustees who shall hold such property in Trust for the Association. The individual appointed Trustees shall act under instructions of the committee who shall, subject to the approval and consent of the Association as determined by a general meeting, have power to fill vacancies among the individuals appointed Trustees.

- 8.2 The Association is required to declare in authorising individuals to act on its behalf whether they are acting as Trustees.

## **9 ANNUAL GENERAL MEETING**

- 9.1 The first Annual General Meeting of the Association shall be held not later than \_\_\_\_\_ and in each year thereafter an Annual General Meeting of the Association shall be held at such place and time (not being more than 15 months after the holding of the preceding Annual General Meeting) as the Committee shall determine.

- 9.2 At such Annual General Meeting the business shall include the following:

- 9.2.1 the election of members to serve on the Committee;
- 9.2.2 the appointment of an independent Financial Assessor;
- 9.2.3 the consideration of an Annual Report of the work done by or under the auspices of the Committee;
- 9.2.4 the consideration of the accounts;
- 9.2.5 the transaction of such other matters as may from time to time be considered necessary by the Committee.

## **10 SPECIAL GENERAL MEETINGS**

The Committee may at any time at its discretion and shall upon a requisition signed by not less than \_\_\_\_\_ members having the power to vote and giving reasons for the request, call a Special General Meeting of the Association for the purpose of altering the constitution in accordance with Clause 12 hereof or of considering any matter which may be referred to them by the Committee or for any other purpose.

## **11 RULES OF PROCEDURE AT ALL MEETINGS**

- 11.1 Voting

Subject to the provisions of Clause 12 hereof all questions arising at any meeting shall be decided by a simple majority of those present and entitled to

vote thereat. In case of an equality of votes the Chairperson shall have a second or casting vote.

#### 11.2 Minutes

Minutes shall be kept by the Committee and all other sub-committees and the appropriate Secretary shall enter therein a record of all proceedings and resolutions.

#### 11.3 Quorum

The quorum at General Meetings of the Association shall be \_\_\_ and at meetings of the Committee shall be \_\_\_ or such other number as the Committee may from time to time determine.

#### 11.4 Standing Orders

The Committee shall have power to adopt and issue Standing Orders and/or Rules for the Association. Such Standing Orders and/or Rules shall come into operation immediately PROVIDED ALWAYS THAT they shall be subject to review by the Association in General Meeting and shall not be inconsistent with this constitution.

### **12 ALTERATIONS TO THE CONSTITUTION**

12.1 Any alterations to this Constitution shall receive the assent of not less than two-thirds of the members of the Association present and voting at the Annual General Meeting or a meeting specially called for the purpose PROVIDED THAT notice of any such alteration shall have been received by the Honorary Secretary in writing not less than 21 clear days before the meeting at which the alteration is to be brought forward.

12.2 At least 14 clear days' notice in writing of the meeting setting forth the terms of the alteration to be proposed shall be sent by the Honorary Secretary to each member of the Association PROVIDED FURTHER THAT no alteration shall be made which would cause the Association to cease to be a charity at law.

### **13 DISSOLUTION**

13.1 If the Committee by a simple majority decide at any time that on the grounds of expense or otherwise it is necessary or advisable to dissolve the Association they shall call a meeting of all members of the Association who have the power to vote of which meeting not less than 21 days' notice (stating the terms of the Resolution to be proposed thereat) shall be given.

13.2 If such decision shall be confirmed by a simple majority of those present and voting at such meeting the Committee shall have power to dispose of any assets held by or in the name of the Association.

13.3 Any assets remaining after the satisfaction of any proper debts and liabilities shall be given or transferred to such other charitable institution or institutions having objects similar to the objects of the Association as the Committee may decide

**14 INDEMNITY**

14.1 The Association shall indemnify and keep indemnified every officer, member, volunteer and employee of the Association from and against all claims, demands, actions and proceedings (and all costs and expenses in connection therewith or arising therefrom) made or brought against the Association in connection with its activities, the actions of its officers, members, volunteers or employees, or in connection with its property and equipment but this indemnity shall not extend to liabilities arising from willful and individual fraud, wrongdoing or wrongful omission on the part of the officer, member, volunteer or employee sought to be made liable. The Treasurer shall affect a policy of insurance in respect of this indemnity.

**15** SIGNED: \_\_\_\_\_ DATE:  
\_\_\_\_\_  
(Chairperson)

SIGNED: \_\_\_\_\_ DATE:  
\_\_\_\_\_  
(Secretary)