

# governance: committee roles

## Introduction

Your committee are responsible for taking care of the organisation of your group. They are your governing body and everything that your committee does is referred to as GOVERNANCE.

Sometimes you will see your committee referred to as a Management Committee.

- ♦ if you are a limited company (Company Ltd by Guarantee or any other company registered as a Community Interest Company) then your governing body will be made up of DIRECTORS
- ♦ if your group is a registered charity, the committee members are called TRUSTEES (or charity trustees)

On the whole committee members will be volunteers and as such they will not receive payment for their duties. Travel expenses are usually the exception and occasional one-off payments for a particular job (if they are considered the best person to carry out that job) may be permissible, but in general it is not considered good practice. If your group is a registered charity then there are very specific guidelines about remuneration for Charity Trustees and you are advised to check this.

## General Committee Responsibilities

Your committee or governing body are responsible for :-

- ♦ giving your group direction - planning its development, monitoring and reviewing progress
- ♦ keeping your group within the law - such as making sure that your group is registered for Disclosures if there are volunteers or staff who work closely and regularly with children
- ♦ managing people - recruiting and supporting volunteers/staff
- ♦ being accountable - ensuring your group has the appropriate policies and procedures in place and that the required reporting is carried out
- ♦ managing your group's resources - keeping financial records and abiding by grant conditions etc
- ♦ managing itself - ensuring regular and effective meetings and making sure that the committee work together for the good of the group as a whole

## Your Committee's Legal Responsibilities

Your group's legal structure and whether or not you are registered as a charity, will largely dictate the legal responsibilities of your group. All committee members – your Directors or charity Trustees – have a legal obligation to make sure these duties are fulfilled.

All Legal Structures – including Unincorporated Associations - have legal obligations governed by legislation such as Equality laws, Data Protection and Health & Safety. In addition, if your group has volunteers or staff who have close and regular contact with children, the Protection of Children (Scotland) Act means that your group will need to register for Disclosures and if your group employs paid staff there are the implications of Employment Laws.

## **Company Ltd by Guarantee**

Statutory submission to Companies House:-

- ◆ names and details of all directors
- ◆ notification of any changes to Directors details
- ◆ notification of changes to registered address of the company
- ◆ annual return
- ◆ annual accounts in the required format
- ◆ Community Interest Company

## **Community Interest Company**

Statutory submission to Companies House:-

- ◆ names and details of all directors
- ◆ notification of any changes to Directors details
- ◆ notification of changes to registered address of the company
- ◆ annual Community Interest Company Report
- ◆ annual Accounts in the required format

## **Charity Registered in Scotland**

Your charity Trustees (i.e your Committee) have four general duties:

- ◆ to act in the interest of the charity
- ◆ to ensure that the charity is operating in a manner consistent with its objectives or purpose
- ◆ to act with due care and diligence
- ◆ to ensure that the charity is complying with the Charities and Trustees Investment Scotland Act 2005

Statutory reporting to OSCR:-

- ◆ ensure your details on the Scottish Charity Register are up to date
- ◆ obtain consent from OSCR for changing name or charitable purpose or winding up or amalgamating with another group
- ◆ notifying about any changes to your groups constitution (related to charitable purpose)
- ◆ annual report
- ◆ annual return (if your charity income exceeds £100,000 then you must submit an additional Monitoring form)
- ◆ annual accounts in required format

OSCR will name and shame any charity that is late with their statutory reporting. A monthly list will be published on OSCR's website, detailing those charities that have failed to submit their most recent accounts and an Annual Return form within six months of the stated 10-month deadline.

Depending on your group's size and range of activities, it makes sense that your Committee has designated roles to ensure that all the legal duties are carried out. Usually these will be the Chairperson, Secretary and the Treasurer.

## What Makes a Good Committee Member

Your group will need:-

- ◆ people that share the beliefs and aims of what your group wants to achieve
- ◆ enthusiasm and commitment
- ◆ honesty and integrity
- ◆ people with experience of book keeping, or administrative work
- ◆ skills such as diplomacy, an ability to communicate well, literacy & numeracy

## Can Anyone Become a Committee Member?

In theory anyone over the age of 16 years in Scotland could become a committee member although certain people are disbarred from joining the governing body of a registered charity or a Company Ltd by Guarantee or a Community Interest Company.

## The Role of the Chairperson

Your Chairperson plays a key role in making the committee work together effectively . Most people assume that the chair is there simply to keep meetings in order, but the responsibilities of the Chairperson include much more than this.

Your group's chair person has a managerial role within your group and should be the one to:

- ◆ liaise with the Treasurer and Secretary
- ◆ consult with committee members as necessary
- ◆ ensure that staff and volunteers are supervised and supported.
- ◆ take overall responsibility for legal, health and safety and insurance matters
- ◆ act as representative and spokesperson for the group

Your chair also has a role to play before, during and in between meetings.

## Before each meeting

The Chairperson should liaise with the Secretary, Treasurer, committee members and staff as appropriate, and in particular any member who has a specific issue to bring to the meeting. They should be informed about topics to be discussed and the decisions or actions needed.

The Chairperson should also contact and brief new committee members on the aims and objectives of the organisation.

## During meetings

The Chairperson should be aware of the time limits imposed by the organisation's standing orders and constitution.

- ◆ start the meeting on time and keep to time limits while allowing for adequate discussion
- ◆ keep to the agenda and allow extra items to be dealt with under AOCB (any other competent business) or deferred until another meeting
- ◆ encourage all members to participate in a broad discussion and summarise the discussion, bringing it to a close by reviewing the points made for inclusion in the minutes
- ◆ should a vote be required, clarify the voting procedure and clearly state the proposals. In the event of an even split, the Chairperson has the casting vote. State clearly the agreed outcome of any discussions and votes
- ◆ finally, arrange the date of the next meeting

## Following a meeting

The Chairperson should liaise with the Secretary, Treasurer, committee members and staff as appropriate over any action to be taken as a result of discussion.

## The Role of the Vice-Chairperson

The role of the Vice-Chairperson is to deputise for the Chairperson in their absence, adopting his or her responsibilities and authority, and to co-operate with the Chairperson to encourage and promote the work of the organisation and Management Committee.

## The Role of the Secretary

Whilst the Chairperson is responsible for the smooth and fair running of your group, the Secretary is responsible for keeping people informed of the group's activities and their main duty is the day-to-day running of the group. The exact work and the amount of work they are required to do, will depend on the size and nature of the organisation, on your group's legal structure and whether or not you are a registered charity.

Usually it is the Secretary who will handle the group's correspondence and keep records. Additional responsibilities are to send any reports or publicity to the media (unless there is a publicity officer), keep the membership list up to date and keep records of all correspondence for at least one year.

If you are a Company Ltd By Guarantee, having a Company Secretary is optional. Usually the group's legal duties such as reporting to Companies House (if yours is a Company Ltd By Guarantee) or OSCR (if you are a registered charity) will be carried out by the Secretary. However, you may decide to assign some administrative tasks to others. Do remember that the Committee is jointly responsible for legal duties and don't just assume that the Secretary will take these duties on – have a meeting and decide how to divide tasks up but DO make sure that a named person takes responsibility. If your group already has a Company Secretary, but decides they no longer need one then you must notify Companies House using the correct form (this can be done online using their WebFiling process). If your Memorandum & Articles make specific references to a Company Secretary, these may need amended. For more information on this visit Companies House website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk).

Like the Chairperson, the Secretary has a role to play before, during and after meetings.

### Before each meeting

- ◆ liaise with the Chairperson, Treasurer, committee members and staff as appropriate to draw up the agenda and check that all members have carried out any work they undertook to do
- ◆ book the meeting venue
- ◆ distribute the Agenda
- ◆ give adequate notice calling the meeting (according to your group's governing document )
- ◆ send out all relevant papers, i.e. minutes of the last meeting, reports and correspondence, etc
- ◆ record apologies

### During meetings

- ◆ ensure that a quorum is present (refer to the number of people stated in your group's governing document as being the minimum required to vote or make a decision)

- ♦ take minutes (unless there is a minute secretary), advise the Chairperson of any information which may be particularly relevant

### **After meetings**

- ♦ write up the minutes as soon as possible. Never destroy the minute book or file
- ♦ draft minutes to Chairperson and to any persons not present at the meeting
- ♦ make sure everyone knows what Action Points they have agreed to do

### **The Role of the Treasurer**

A good Treasurer performs a vital PR role because how a group handles its finances has a direct bearing on how it is perceived both by the public and by funders. Sound financial management makes an organisation more credible and the role of the Treasurer all the more important.

The main duties are to keep accurate records of all financial transactions, both income and expenses, to manage petty cash, sign cheques and retain safe keeping of the cheque book. If your group is a Company Ltd by Guarantee, a Community Interest Company, or if your group has charitable status, keeping the finances in order is a LEGAL duty.

### **Basic Rules for Financial Record Keeping**

- ♦ always get and keep receipts, no matter how small the amount. Pay by cheque rather than cash, even for small amounts because this gives you a paper trail for any accounting
- ♦ always give receipts for money received. Pay cash into the bank as soon as possible.
- ♦ keep petty cash in a secure place and always get people to sign it in and out by entries in a petty cash book. Don't count cash on your own - always have someone who can verify your calculations
- ♦ pay the bills on time and, if your group employs staff, ensure staff salaries are paid on time
- ♦ if cash is given as a prize, e.g. in a raffle, openly display a list of winners in a public place or inform the local press
- ♦ if your group holds a fundraising event record the expenditure (ie the costs of any venue, refreshments etc) separately to your income (entrance fees, sales etc) rather than simply recording profit (or loss)
- ♦ get into the habit of recording grant income as either Restricted (ie the funder has specified exactly what the grant is for) or Unrestricted (such as core funding or funding for general running costs). Remember to record clearly any expenditure against the restricted grant income

### **Financial Reporting**

The Treasurer is responsible for keeping the committee informed about the group's financial position in easily understood terms, so that they can make decisions in full knowledge of the implications. Inform the group about likely income and projected expenditure, and prepare estimates, cash flow and budget plans.

The Treasurer will be responsible for pulling together the financial information from a day book (or ledger) and the petty cash into the annual accounts. The format of the Annual Accounts will depend on your group's legal structure and income.

Small groups structured as Unincorporated Associations will usually only need to put together their Annual Accounts as a simple Income & Expenditure sheet clearly showing the Opening

and Closing Balance. For Unincorporated Associations your Treasurer will be protecting the financial interests of the committee members since if something goes wrong they will be personally liable for any debts.

If your group is a registered charity with an income of less than £100,000 you will need to make sure that your accounts follow OSCR guidelines and to have them externally examined by someone who is familiar with your group's activities.

If the organisation is a Company Limited by Guarantee your accounts (in the relevant required format) must be approved at your group's AGM and signed by the Board before filing to Companies House. There are financial penalties for late filing.

If your group is a Company Interest Company you will be required to submit a Community Interest Report along with your accounts (in the relevant required format) to Companies House.

### **The Treasurer and fundraising**

It is NOT the sole responsibility of the Treasurer to fundraise for your group – this is something your whole committee should decide and review. The Treasurer should not be making decisions on spending other than on small amounts – again this is something for the committee to discuss and agree on. However, the Treasurer is often the most obvious person to assist with fundraising and funding applications (but not as the main fundraiser).

Additional duties might also include collecting membership subscriptions (unless there is a membership secretary).

### **Sub-committee groups**

From time to time it may be appropriate for a committee to set up a sub group or steering group to develop a specific project or activity. For example, a community council may wish to consider undertaking a redevelopment project in its area, and as the new project begins to gather momentum and become a significant part of the community council's activity, it is time to consider setting up a sub group to manage and develop it, rather than allow the new project to occupy the time of the full committee. Similarly a sub group may be the best way of undertaking large-scale fundraising for a particular purpose.

The point is not to allow the new activity to take over the work of the committee, as this could result in a loss of identity or focus and a divergence from the aims and objectives as stated in the group's constitution. In addition a dedicated sub group can focus on the new project and achieve more as a result.

When you have identified the need for a sub group ensure that you prepare clear mandates for its work, allowing it the flexibility to explore new ideas and clarifying the roles and responsibilities of its members.

The parent committee is ultimately responsible for the work the sub committee does, and therefore the full committee must agree with any important decisions it makes or significant developments that occur. A sub group should therefore provide regular feedback to the full committee and brief it on all the issues.

Your constitution may stipulate that one or more committee members must also sit on any sub committees.

However, a sub group is also a good opportunity to involve new people who may possess particular skills, expertise or interests and may ultimately contribute to the organisation.

## Minutes of Meetings

Minutes are a record of what happened at a meeting. They document attendance, agreements reached, decisions made and actions to be taken. They also serve to inform committee members who were unable to attend, as well as the rest of the community, agencies etc., of the business covered at the meeting.

Anyone who has knowledge of your group and an understanding of what will be discussed can take the minutes. Some groups nominate a minute taker at each meeting, other groups have a Minute Secretary and often the Secretary fulfils this role. However, it can be difficult to take part in discussions and take minutes at the same time, so it is a good idea to have an independent person who plays no part in the meeting to take the minutes.

The minutes should be written up as soon as possible after the meeting while it is still fresh in the mind. They should summarise the proceedings faithfully and not simply reflect the minute taker's personal opinions. Attendees should be given the opportunity to comment on a draft before they are distributed or displayed publicly. They should be sent out to committee members in good time along with the agenda and notice of the next meetings.

The name of the group should appear at the top of the first page, along with the date and the venue. Include a list of those present with a note of their capacity e.g. Chairperson, Treasurer, Co-ordinator, In Attendance for visiting speakers. List the people who sent apologies. Include a statement to the effect that the minutes of the previous meeting were passed as correct, if not the corrections should be included. Follow the agenda headings. Include a numbered list of actions to be taken. Record the decisions taken in a concise third person style e.g. 'it was agreed that ...'. If it is wished, record the fact that a member did not agree with a decision.

## Further Resources

SCVO have a Governance Programme website, which contains information on effective governance for voluntary management committee members, charity trustees, volunteer or staff members: <http://www.scvo.org.uk/governance/Home/Home.aspx>

If you have any governance issues that you would like to discuss, please contact us:



CVS Aberdeenshire - Central and South  
72a High Street, Banchory AB31 5SS  
Tel: 01330 825027

15a High Street, Inverurie AB51 3QA  
Tel: 01467 629072

Email: [mail@kdvoice.org.uk](mailto:mail@kdvoice.org.uk) Website: [www.kdvoice.org.uk](http://www.kdvoice.org.uk)

*This document was written by and reproduced with kind the permission of Skye & Lochalsh Community Toolkit. To view other guides and resources visit their website at [www.slcv.org.uk/toolkit](http://www.slcv.org.uk/toolkit)*