



Training Trio

2005

Management Committees

Business Plans

Funding Applications



Management Committees

“The role of the Management Committee is to articulate a vision which the Committee translates into strategic action through effective governance”.

Contents

- **Vision, Mission and Values** p. 3
- **Strategic Planning** p. 4
- **Stakeholders** p. 5
- **Developments in a Charity’s life** p. 6
- **Effective Governance** p. 7
- **Legal Responsibilities** p. 9
- **Skills Audit** p. 11
- **Recruitment of trustees** p. 12
- **Induction** p. 14
- **Further Resources** p. 16

VISION, MISSION AND VALUES

VISION

An organisation needs to know where it is headed. The vision gives the ultimate goal of what the future would look like if the organisation achieves everything it wishes to.

Our Vision:

MISSION

The organisation needs to know what its overall purpose is. The mission describes what the organisation does and the impact of its action.

Our Mission:

VALUES

These are the things that an organisation holds dear and reflect the kind of organisation we are or are capable of being. All activities have to reflect our values.

Our values are:

STRATEGIC PLANNING

"If you don't know where you are going, you are sure to end up somewhere else." Mark Twain

Planning Strategically

The Vision, Mission and Values of your organization now need to be translated into an action plan, that should encompass business, marketing, communication and financial plans.

1. Know your market

Who are you trying to help and who else is doing the same, particularly in your local area? What are you doing that is different? (This will be important later when it comes to fundraising). How will you attract the people you want to help to your project? Think about strategic partnerships in the local community. For example if you wanted to help unemployed people and managed to secure funding for that purpose, you could seek a strategic partnership with the local job centre.

2. Examine your resources

Do you have the premises, equipment and expertise you need to deliver the services you wish to provide? Expertise should include knowledge of housing and homelessness issues as well as legal and financial considerations. If not, you will need to consider what skills new staff, volunteers and trustees will need in order to achieve your vision.

3. Produce a business plan/workplan

This should explain what you want to achieve and how you intend to do it, in both the short and longer term. Some funders may ask to see your business plan or their application forms may ask for information from it. It should therefore be a document that is continually referred back to, when discussing the future direction and expansion of your project, so that your organisation stays focussed, efficient, effective, and impresses funders as well as stakeholders.

There will be more in the next training session on what a business plan should include and how to write one.

STAKEHOLDERS

Strategic planning conducted in isolation from those it will impact is unlikely to deliver any benefit. It is therefore essential that a strategy be developed which pays attention to its stakeholders.

A **Stakeholder** is a person, group or organisation that has an interest in your organisation. Stakeholders have needs and expectations and can be internal or external to your organisation.

Stakeholder analysis is the identification of your key stakeholders, an assessment of their interests, and the ways in which these interests impact on your organisation.

Stakeholder analysis enables you to establish good relations with your stakeholders by focusing on their needs and expectations. It provides an opportunity to find agreement amongst trustees as to who are the stakeholders.

Key stakeholders are:

Beneficiaries	Supporters	Internal	Regulators
Examples Homeless people	Donors	Staff	Charity Commission

Key questions to ask:

1. Have you listed your stakeholders?
2. Have you asked your stakeholders for their views?
3. How do you communicate with your stakeholders?
4. How much are stakeholders needs taken into consideration when carrying out strategic planning?

DEVELOPMENTS IN THE LIFE OF A CHARITY

Stage 1

The committee is highly active. Members are involved in all aspects of the organisation's work.

Stage 2

Work and decisions are delegated to paid staff. The committee acts as a sounding board for staff.

Stage 3

The committee rubber stamps. It has little real input into the organisation. Committee members give credibility to the organization.

Stage 4

The committee concentrates on future strategy, direction, evaluation of results and accountability.

EFFECTIVE GOVERNANCE

Governance means the process by which a governing body ensures that an organisation is effectively and properly run. Governance is not about doing the work yourself; rather it is about making sure things are done.

It is about making certain that the organisation has clear aims and objectives, policies and procedures, but not necessarily about forming them. It is about ensuring the organisation has sufficient resources - people, equipment, and expertise - although not necessarily providing them yourselves.

Management is more about the day-to-day responsibilities of doing the work, delivering services, appointing and supervising staff - in short implementing trustee decisions.

It is important to know where the boundaries are between **governance** and **management**. **What is managing and what is meddling?**

Three points to success:

- **Clarity of roles.** Know the areas the Management Committee has to deal with and allocate responsibility to a named person. Who that person is will depend on the size of the organisation. (You can use the checklist to go over who does what.)
- **Policies.** Organisational Frameworks like PQASSO and Homeless Link's Toolkit provide a comprehensive list of all aspects of governance and management. It gives order to the organisation, which benefits everyone-staff, trustees, and beneficiaries.
- **Monitoring.** There is no point in drawing up great schemes if you do not review what you are doing. If you asking for money from funders, you will have to account to them for how you spend their money. Whether you employ staff or not, the Management Committee needs a written report at each meeting to monitor the work as well as financial reports

Ten key actions (adapted from Alan Laurie, Management Consultant)

- Discuss what is managing and what is meddling
- Agree in exact terms reporting systems
- Set precise boundaries for delegation
- Review the Board's performance annually
- Regularly change the Board's membership

- Be clear how much time is expected of members
- Renew the Board's structure – control and evaluate sub groups
- Build in annual performance review cycles
- Acknowledge conflicts of interests
- Plan how the Board's supervisory responsibility to the most senior employee will be met

LEGAL RESPONSIBILITIES

1. Constitutional objects and powers

- Ensure everyone knows what the organisation's overall purpose is and legal limits on what can be done
- Setting policy and implementing it
- Setting strategies
- Monitoring work

2. Procedures and accountability

- Ensure the organisation carries out its business according to the constitution
- Holds meetings including AGM
- Ensure adequate communication between staff, users, committee

3. Legal obligations and undertakings

- Employment contracts
- Renting premises
- Equal opportunities legislation
- Health and Safety, insurance, financial records, fundraising

4. Financial responsibility and accountability

- Wages, all other bills
- Ensure the organisation has enough money to meet any financial obligations
- Ensure annual accounts are drawn up for audit
- Receive regular financial reports

5. Employment and volunteers

- Job descriptions
- Advertise, shortlist, interview, select staff
- Issue contracts
- Induction, training, supervision, support
- Disciplinary action

6. Equal opportunities

- Adhere to law- Race relations, sex discrimination, equal pay, disability discrimination
- Code of practice

7. Premises and Health and safety

- Responsibility for premises-adequate finance, health and safety policy covering all aspects of the organisation's work, ensure security

8. Insurances

- Ensure all insurances are taken out-appoint one member for responsibility
- Employer's liability has to be displayed
- Public liability
- Professional indemnity
- Buildings insurance

9. Legal and charitable status

- Annual accounts and balance sheet to be submitted to Companies House, Charity Commission
- AGM, electing committee members, submitting annual returns

10. Any other legal, financial, managerial, moral responsibility

Reducing the risk of personal liability

Members of a company limited by guarantee will guarantee to pay £1/5 if the organisation cannot meet its financial obligations to third parties which is set out in the memorandum of association - sets out the company's objects and what it can do - and articles of association - sets out its rules and procedures.

Limited liability does not protect company directors from all personal liability if they act -

- Fraudulently, dishonestly, criminally
- In breach of the charity's trust
- Knowing the company is insolvent

CHECKLIST FOR EFFECTIVE COMMITTEES

Members are:

- aware of their responsibilities for long-term planning, monitoring achievements, financial planning and control
- aware of their legal responsibilities
- able to access further information about legal and financial matters
- fully inducted when they first join the committee
- working together with the staff
- fully informed so they are able to make informed decisions
- taking part in effective meetings

TRUSTEE SKILLS AUDIT

Name: _____ Date: _____

1. What kind of expertise do you consider you bring to the Board? (Please tick all that apply)

- | | | | |
|---------------------------------|--------------------------|---------------------------------|--------------------------|
| Administration | <input type="checkbox"/> | History of the Voluntary Sector | <input type="checkbox"/> |
| Campaigning | <input type="checkbox"/> | Human Resources/Training | <input type="checkbox"/> |
| Change Management/Restructuring | <input type="checkbox"/> | Information Technology | <input type="checkbox"/> |
| Consultancy | <input type="checkbox"/> | Legal | <input type="checkbox"/> |
| General | <input type="checkbox"/> | Strategic Planning and Training | <input type="checkbox"/> |
| Governance | <input type="checkbox"/> | Property | <input type="checkbox"/> |
| Neighbourhood Renewal | <input type="checkbox"/> | Conflict Resolution | <input type="checkbox"/> |
| Knowledge of the Community | <input type="checkbox"/> | Fundraising | <input type="checkbox"/> |
| Other | <input type="checkbox"/> | | |

Please give further details:

2. What other experience or skills do you feel you can offer?

3. Are there any areas of the charity's work you have a particular interest in and/or would like to become more involved in?

4. What motivated you to become a trustee of the charity?

Based on an example from NCVO

RECRUITMENT OF TRUSTEES

An organisation needs a balance of trustees with different skills, experiences and backgrounds. It is important therefore that before a Management Committee looks to recruit more members, it carries out an annual skills audit of its current members to identify gaps in its skills base. The aim is to have a balanced and diverse committee.

Most trustees are recruited by word of mouth. While that is effective, it does not often lead to diversity or include users.

QUESTIONS TO ASK BEFORE RECRUITMENT

- What skills are we looking for?
- How many trustees do we want?
- Do we know who is to retire/stand down over the next few years?
- Does the Committee reflect the profile of the users or locality?

SUGGESTIONS FOR APPROACHES TO RECRUITMENT

- Advertising in national or local newspapers (The Guardian carries free adverts for trustees once a month)
- Advertising in church press, eg "The Bridge" (the Anglican Diocesan newspaper), local Churches Together publications
- Local Community Voluntary Service
- Church connection: parishes, deanery, diocesan social responsibility and communication officers
- Marketing /Communications Plan - it should include requests for trustees in the PR strategy (eg articles in local and church newspapers) and in public speaking engagements eg at deanery synod meetings
- Other similar organisations eg Housing Association, day centres, other faith groups - check your lists of local organisations
- Networking - staff and trustees to be on look out for trustees with skills which have been identified as lacking in committee
- Staff/ volunteers
- Service Users - part of the process of engaging with service users in decision making
- Introductory packs to describe the organisation, strategy and trustee role

KEY POINTS:

The recruitment of trustees needs to be seen as integral to all area of the committee's work. It is:

- an ongoing process
- part of the skills audit

- part of the strategy for engaging with the outside world
- part of the process for engaging with service users
- the responsibility of one individual

INDUCTION

Management committees should have an induction procedure for all potential new trustees. An induction procedure and training programme are as important for the trustee as for a member of staff or other volunteer.

- The Manager and Chair discuss the suitability of any potential trustee to ensure that their recruitment will strengthen the Committee by their particular skills, background, experience and knowledge. Attention should be given to any real or potential conflict of interest before someone is invited to join the committee.
- A potential new trustee should be invited to meet the Chair and/or Manager for a preliminary discussion about the organization's vision, mission and values and what will be expected of them. The potential member should be clear about their role and responsibilities.
- The potential trustee should be initially invited to a general meeting as an observer, and if all parties are in agreement, and following the procedures set out in the Articles of Association, they may be elected to the Committee. They will be eligible for re-election at the next AGM.
- When new people join the Management Committee they should receive the following pack of information, copies of which should be held in the office. This would normally be at the meeting where they are officially voted onto the Committee.

INDUCTION PACK

Documents

- Copy of the Governing documents eg Memorandum of Association and Articles of Association and Charitable Status
 - Sets of recent board papers and minutes and dates of next meetings
 - Annual Reports and Accounts
 - Policy documents including equal opportunities and financial controls

Information about the Organisation

- Brief history of the organisation
- The purpose and aims of the organisation
- Booklet outlining the responsibilities of Charity Trustees.
- Task descriptions of trustees and Honorary Officers

- List of Committee members, contact details and areas of expertise
- Chart of the organisation structure with names and roles of paid staff members.
- Newsletters and publicity
- Business plan/Strategic Development Plan
- Budget for the year
- Summary of current funding issues

TRAINING

New members should be encouraged to attend training on the role of a Management Committee so they understand the scope of the responsibility.

FURTHER RESOURCES

Publications on the role of a management committee:

"*The Good Trustee Guide*" - contains practical information on all aspects of a trustee's role, including legal, management, financial responsibilities and guidance on developing an effective trustee board. £17.50 for NCVO members.

Visit: www.ncvo-vol.org.uk.

Recruiting trustees with appropriate skills:

Visit: <http://www.volwork.org.uk/> and fill in a form detailing what skills and expertise you require. *Reach* will then find volunteers whose expertise matches those skills. This is a free service.

Advertising:

You can advertise for volunteers including trustees in *The Guardian* for a special rate of £50. Ring 020 7611 9111.

E-bulletins:

One of the best ways to advertise for staff and trustees is through the various email bulletins that are circulated amongst faith-based housing and homelessness projects for free.

- UNLEASH (monthly, 300 contacts, post items on website too).

Email: alastair@unleash.org.uk.

- Community Ministry News (Quarterly). Email:

JackMaple@london.anglican.org.

Legal:

- The Charities Commission have various downloadable reports on what to be aware of when acting on behalf of a project.

Visit: www.charities-commission.gov.uk.

- This legal consultant's website provides free updates on recent legislation effecting voluntary organisations: www.sandy-a.co.uk/legal.htm. The volunteer section is particularly helpful.

Knowledge and Information:

- *Shaftesbury resources page*: Good Practice Volunteer contracts and policies provide a useful reference point when forming or reviewing your own volunteer contracts. Visit this link:

<http://www.shaftesburysociety.org/website.asp?page=UNLEASH>

- *Voluntary Sector magazine* (from NVCO) includes useful articles all the issues surrounding volunteers including issues of equality, Health and Safety etc.

- *Rachel's digest* is a weekly roundup of the main housing and homelessness stories from the general and specialist press. Cost:

£30 per year. Visit www.justhousing.org.uk.