FIRST STEPS TO STARTING A GROUP & IDENTIFYING THE ORGANISATION STRUCTURE

RVS Community Development Team can offer guidance and support to Rushmoor residents wanting to start a new group or develop an existing group into a more formal structure. Take a good look at the guidance here and contact RVS for any further support: cdm@rvs.org.uk

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STARTING UP A GROUP

Setting up a new organisation can be enjoyable and can give you a lot of satisfaction. It takes energy, enthusiasm and hard work, and sometimes a good deal of patience, to make a success of a new organisation.

First Steps

Investigate other organisations – do your research!

Before you put too much work into your new organisation, it is important to check whether there are any other local groups who are doing a similar thing so that you aren't duplicating effort. If you find a local organisation doing very similar work to what you'd like to do, you may want to consider working together to share resources and experience, or perhaps simply joining their group instead of setting up a new one. Ways to check:

- RVS can check if any member organisations are already providing similar services to yours – contact cdm@rvs.org.uk.
- Search The Charity Commission's register of charities to see if there is a similar organisation already in operation in the local area.
- Search The Charity Commission's register of charities for similar organisation's elsewhere in the country that you might be able to speak to learn from them and gain insight.
- Search Companies House Register of Community Interest Companies for similar organisations, locally or nationally.

Bring people together

Once you have identified there is potential for your idea, bring together a small number of people who share your interest and talk with them about what you could do.

At this stage, you want people to contribute their ideas and experiences, so as a group, you can decide what you want to focus your attention on.

As a small group you can tell others what you are trying to do and ask interested people to contact you. You will need to agree contact details - perhaps set up a new email address.

Only a few people may get on board initially. It is important to have their input at all stages of the process, to build personal investment and a sense of ownership in the group.

How to find other people:

- Ask people you know who have an interest in the subject – friends, neighbours, community members, etc.
- Use professional networking sites like Linked In - post about your group and highlight what you're trying to achieve to potentially attract the people with the right skills and knowledge
- Use the local 'grapevines' – speak to people involved with community centres, libraries, parish and district councils, RVS, as well as advertise on community notice boards
- Use social media to spread the word

You could hold a public meeting to tell others what you are trying to do. This could be a formal launch or an informal chat over a cup of tea. Whichever approach you take, make sure you record who was there, and the main points of the meeting so you have a record to draw upon. Even take photos if you can (and have permission from the attendees!) You can publicise the meeting to the wider community, to other groups who work in your field, or prominent members of the local community. Your first meeting is an opportunity to:
· Tell others what you want to achieve.
· Attract more volunteers or support.
· Raise your groups profile.
· Get input from others about how you can develop.

Steering Group

Through this process you can start to identify people to sit on your steering group. This is a clearly defined group that are willing to take on responsibility for the development of the organisation. The steering group will often become the management committee. Both normally consist of a Chairperson, Treasurer and Secretary, plus a few general members. Going forward the steering group or committee will make the overall decisions about the group and its activity, and to act as the accountable people for the organisation.

Be clear about your motivations

Make sure you're setting up your organisation for the right reasons. At this stage, people may have very different ideas, so you need to be open and listen to one another's viewpoints. Discuss your ideas and see if you can come to an agreement about what it is you want to focus on – what are your broad aims and objectives? A good place to start is to think about what activity you want to organise or what issue you want to tackle. Don't be surprised that people see the activity or issue in different ways – just explore all the options!

Develop a business plan

This is not as scary as it sounds! It is important that your group draws up a formal written plan which sets out the goals of your organisation, how you are going to achieve them and a timeframe for doing so. Always think about how the activities you plan will help you to achieve your group's overall aim – if they do not, you need to reconsider whether you should be doing them! The business plan will help you to access funding and support. As a group, delegate specific tasks to each person, so the load is shared and to keep momentum going.

Your plan will cover:

- **What you want to do and why** – your mission and purpose
- **How you plan to do this** – steps to develop activities and services
- **Details of resources** you need and how you plan to get them – a budget and funding plan
- **Who you might need to involve** – key partners
- **A timetable** to detail who is doing what and when – project timeline

Further Resources

NCVO has useful guidance on setting up a new organisation. https://charitysetup.org.uk/

For more information about NCVO support for small charities go to: NCVO support for small charities and voluntary organisations

The Charity Commission offer advice on what to consider when setting up a new community organisation.

STRUCTURES FOR VOLUNTARY & COMMUNITY GROUPS

There are a variety of different structures for groups to choose from, depending on how you operate and what you do. They are intended to make it easy for groups to operate and ensure you are operating safely and within the law. This is for the protection of both group members and participants. For sports groups there is affiliation or membership to governing bodies. For social groups you may decide to register with RVS as a community group. You may decide to set up your organisation as either a charitable organisation or a social enterprise.
RVS can advise which structure might be most suitable for your group. Contact cdm@rvs.org.uk

Structures for a charity

Why is legal structure so important?

How an organisation is set up is known as its legal structure. There are a variety of legal structures to choose from. Choosing the right one is important as it will affect how your organisation works in terms of:

- Who will run it and whether it will have a wider membership?

- Whether it can enter into contracts or employ staff in its own name.
- Who will be liable for what the organisation does?

There are four main types of charity structure:

- charitable incorporated organisation (CIO)
- charitable company (limited by guarantee)
- unincorporated association
- trust

Two key decisions you'll need to make when deciding on the structure are:

- Whether the charity should be run by trustees only or whether it should have a wider membership
- Whether to have incorporated structure or a simpler unincorporated structure

The difference between a narrow group or wider membership

An organisation's legal structure will determine whether your organisation's constitutional members are a narrow or wider group (of individuals or organisations).

- Narrow – simply includes the organisation's trustees. This is referred to as a *foundation model of governance.*
- Wider – a wider group of individuals or organisations. This is referred to as an *association model of governance*.

A charity structure with a wider membership will have a wider group of individuals (or organisations) who will be able to make decisions about how the organisation is run and may carry out its work wholly or partly through the voluntary effort and contributions of its members. For a narrow group, the trustees will have sole responsibility for running the charity and making decisions.

What's the difference between incorporated and unincorporated?

If you chose a charity structure that forms a **corporate** body, the law considers your charity to be a person in the same way as an individual. This gives your charity the legal capacity to do many things in its own name such as entering into commercial contracts in its own name or employing paid staff. Generally, trustees aren't personally liable for a charity with a corporate structure.

Possible structures:

- charitable incorporated organisation (CIO)
- charitable company (limited by guarantee)

An **unincorporated** charity doesn't have its own legal personality, so it can't sign any contracts in the charity name. That means that it can't enter into contracts or control investments in its own name and contracts must be signed by one of the trustees who can then be held personally liable. For small organisations this may be a good starting point to get you off the ground, whilst there are few responsibilities or assets. The benchmark is your annual turnover. If you have £5k or more in your account on a regular basis, you must incorporate.

Possible structures:

- unincorporated association
- trust

Your charity's purposes and governing document

Your charity/community group will need a governing document – essentially this is a set of rules that explains how your charity is run and includes your charity's structure, name and purposes. See Further Resources below for more guidance.

Further Resources

For a summary of the different types of structure and what it might mean for your organisation, see the characteristics of charity legal structures on the NCVO website.

For further information and guidance see the Charities Commission - Charity Types: how to choose a structure

The Charity Commission website has a useful Step by Step guide to setting up a charity. This includes:

- how to decide your charity structure
- how to decide your charity's purposes
- creating a governing document

NCVO has useful guidance on setting up a new organisation. https://charitysetup.org.uk/

For more information about NCVO support for small charities go to: NCVO support for small charities and voluntary organisations

Small Charity Support has guidance on starting a small charity.

Alternatives to setting up a charity – Social Enterprise

Social enterprises have been defined as 'a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community, rather than being driven by the need to maximise profit for shareholders and owners'. It's about business for good and when they profit, society profits.

For a more in-depth definition of social enterprise, see Social Enterprise UK

Legal Structures

Community Interest Company (CIC)

A common legal structure for a non-charitable social enterprise is a Community Interest Company (CIC). A CIC is a special type of limited company which exists to benefit the community rather than private shareholders.

The Office of the Regulator for Community Interest Companies has a wealth of useful information including guidance for setting up a CIC. You might want to watch this webinar to see if a CIC is the right model for you.

For more information on what you'll need to do to set up a CIC see the Gov.UK website.

Other legal structures for a social enterprise

There is a range of other options for structures for a social enterprise. Below is a brief summary with links to further information. For a further summary of these legal structures, and their characteristics, see the NCVO website.

A limited company (by shares or guarantee)

Limited by shares companies are usually businesses that make a profit whilst limited by guarantee companies are usually not for profit.

More information.

A cooperative society

A co-op is a business or organisation that's owned and controlled by its members, to meet their shared needs. The members can be its customers, employees, residents or suppliers, who have a say in how the co-op is run.

More information.

A community benefit society

The purpose of a community benefit society is to serve the broader interests of the community (in contrast to co-operative societies that serve the interests of their members).

More information

A charitable incorporated organisation (CIO)

See the information on charity structures.

A sole trader or business partnership

If you're a sole trader, you run your own business as an individual and are self-employed. In a business partnership, you and your partner (or partners) personally share responsibility for your business.

For more information go to the government website for sole trader and business partnership.

Further Resources

The School for Social Entrepreneurs Hampshire and the Lloyds Bank Start Up Programme, bringing together people who want to make a difference through social enterprise.

Social Enterprise UK have several guides explaining more about social enterprises and how to get set up.

See Gov.uk for A Guide to Legal Forms for Social Enterprise for more information on legal structures.
The NCVO has information on understanding social enterprise, in particular a summary of legal structures, explaining what they are and who they are regulated by.