



**COMMUNITY
ACTION
SUFFOLK**

Strengthening the voluntary and community sector



Supporting healthier, safer,
sustainable voluntary,
community, social Enterprise
(VCSE) organisations

**GETTING
STARTED**

**COMMUNITY
ACTION
SUFFOLK**

Strengthening the voluntary and community sector



**Really
Useful
Guide**

**Getting
started #1**



v. 2022



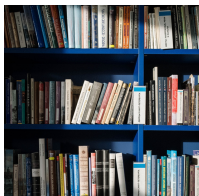
1 Introduction



2 'Foundation' policies and procedures



3 Other foundations to consider



4 Introduction to organisation structures



5 Contact CAS



1. Introduction

This is a quick useful guide designed to answer some of the key most frequently asked questions about setting up a Voluntary, Community, Social Enterprise (VCSE) organisation or group.

Steps you will take when you set up:

Find trustees for your charity - you usually need at least 3

- Make sure the charity has 'charitable purposes for the public benefit'.
- Choose a name for your charity.
- Choose a structure for your charity.
- Create a 'governing document'.
- Register as a charity if your annual income is over £5,000 or if you set up a charitable incorporated organisation (CIO).



Questions to answer:

- What is the main purpose of setting up? What do we want to achieve?
- What need is not being met that you want to be able to meet?
- Who else is out there doing this? Who could you work in partnership with? - don't use your energy duplicating something already there and working.
- Who do we want to support?
- Where do we want to support them? (Where will you deliver your services and what geographical area will you deliver to e.g. all of Suffolk, one postcode et c?)
- What activities/ services will you offer (and what won't you offer)?
- What is our plan to make this happen?
- What do you need to get started and keep running?
- Who will support you and be involved in the organisation?
- How long do you need to get started?
- How much time do you have available to making this organisation a success?
- How will we know if we are being successful?
- How will you let people know you exist?

2. 'Foundation' policies and procedures

Building any sustainable structure requires strong foundations and setting up or 'remodelling' an existing organisation is the same.

Below are some key policies and procedures you should have in place to help embed strong governance (ways of doing the right thing) in a sustainable and enduring organisation. The exact list you will need will depend on what your organisation/ group wants to achieve, the people it is being set up to benefit. To discuss the exact needs of your organisation you can contact Community Action Suffolk (CAS).

Each VCSE organisation should have the following policies and procedures:

- Safeguarding children and adults
- Behaviour and Code of Conduct
- Confidentiality
- Equality, Diversity and Inclusion
- Health & Safety
- Risk Assessment
- First Aid
- Lone Working
- Complaints/ Grievance
- Recruitment (including volunteers and trustees) and compliance with DBS
- Finance



The CAS Quality Framework has tailored levels of support including the HealthCheck Plus and Quality Standard that contain additional guidance and example documents to help you develop and embed these policies and procedures.

<https://www.communityactionsuffolk.org.uk/organisation-support/quality-framework/>

3. Other foundations to consider

The exact list you will need will depend on what your organisation/ group wants to achieve, the people it is being set up to benefit. To discuss the exact needs of your organisation you can contact Community Action Suffolk (CAS).

Each VCSE organisation should have the following:

- a clear purpose that is set out in a governing document e.g. Constitution, Memorandum and Articles, Trust Deed et c. that fits the activities and services you provide and is communicated to staff, volunteers and Trustees.
- a clear management and governance structure; with at least 3 trustees including a Chairperson, Secretary and Treasurer (or equivalent) who have a copy of the governing document. You should also have a Safeguarding Lead Trustee and a Designated Safeguarding lead.
- an appropriate business plan to achieve its aims and purposes.
- an effective business continuity plan that sets out their ability to cope and quickly adapt to changing situations and it is reviewed annually.
- adequate insurance for all of its activities, buildings and staff in place including public liability and professional indemnity and employers liability if relevant.
- ability to meet its legal responsibilities for keeping information safe and complies with UK GDPR and the Data Protection Act 2018.
- clear financial accounts supported by appropriate finance policies and procedures for banking income (a bank account), making payments and auditing that are monitored by Trustees (or equivalent) throughout the year.
- appropriate digital resources and procedures to deliver its services and keeps its website and social media up to date.
- The organisation is committed to controlling and improving its environmental impact.
- All staff and volunteers are aware of their role and responsibilities and have a job/ role description.

4. Introduction to organisation structures

Your charity structure is defined by its 'governing document' (the legal document that creates the charity and says how it should be run).

There are a number of different structures you can choose for your organisation. Think carefully about the structure so you choose the right one for you. You will need to consider whether you want to have a wider membership who influence what you do or if your membership is limited to your Trustees/ Management Committee.

The main types of Charity Structure are:

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

These are explained a little more on the following pages. This is a very basic introduction. To learn more you can visit the Charity Commission website [Charity types: how to choose a structure \(CC22a\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/charity-types-how-to-choose-a-structure).

Charitable company (limited by guarantee)

A charitable company is a corporate body which can be set up with or without a wider membership.

As an incorporated organisation it becomes a corporate entity in its own right (the law recognises it as a person)

To be a charity - your charity must have only charitable purposes which must be for the public benefit ('the public benefit requirement')

Unlike commercial companies, a charitable company:

- can't distribute its surpluses to its members or shareholders – a charitable company is usually limited by guarantee, not shares
- can only apply its assets to carry out its charitable purposes
- must operate in a way which is in the best interests of the charity

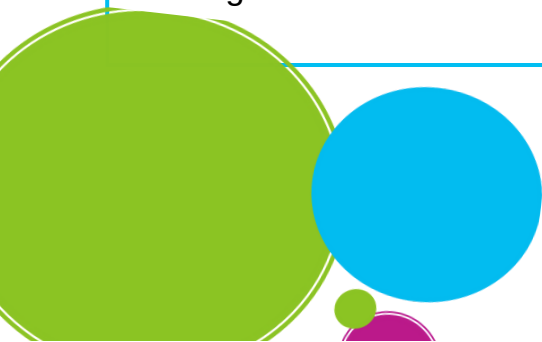
Public benefit: View Charity Commission website for more detail

Charitable purposes: View Charity Commission website for more detail

Governing document:

Choose *memorandum and articles of association* as your governing document.

Pros	Cons
<ul style="list-style-type: none">• incorporated• can enter into contracts• can buy, own or sell property in its own name• can sue or be sued in its own right• straightforward to set up and registerlow registration fees	<ul style="list-style-type: none">• You'll need dual registration. You must register your charitable company with both the charity commission (if eligible) and Companies House.• You'll also need to provide detailed information on its finances and activities each year.



Charitable incorporated organisation (CIO)

You can set up an **association CIO** if you want your charity to be a corporate body and have a wider membership, including voting members other than the charity trustees.

You could set up a **foundation CIO** if you want your charity to be a corporate body, the only members are the trustees and you don't want a wider membership. As an incorporated organisation it becomes a corporate entity in its own right (the law recognises it as a person)

Must have clear charitable purposes and be for the public benefit.

Public benefit: [View Charity Commission website for more detail](#)

Charitable purposes: [View Charity Commission website for more detail](#)

Governing document:

Choose a *Constitution* as your governing document.

A model association constitution is available from the Charity Commission

Pros

- incorporated
- can enter into contracts
- can buy, own or sell property in its own name
- can sue or be sued in its own right
- only needs to be registered by the charity commission
- only need to send annual accounts and return to the charity commission
- designed for charities

Cons

- As a structure it is not that well known
- It's a new legal entity and doesn't have a lot of legal caselaw yet to support

Unincorporated association

You could set up an unincorporated association if you want your charity to have a wider membership but it doesn't need a corporate structure (for example, if it will be relatively small in terms of assets)

Must have clear charitable purposes and be for the public benefit.

Public benefit: [View Charity Commission website for more detail](#)

Charitable purposes: [View Charity Commission website for more detail](#)

Governing document:

Choose a *Constitution or rules* as your governing document.

Pros

- Quick and cheaper to set up

Cons

- Unincorporated
- Has no legal existence and cannot enter into contracts
- Cannot own property
- No external regulation
- Cannot take legal proceedings in its name
- Individual management committee member can personally be held responsible for liabilities/ debts and be sued.

COMMUNITY ACTION SUFFOLK



Strengthening the voluntary and community sector

GETTING STARTED



Contact CAS

www.communityactionsuffolk.org.uk
tel: 01473 345400
Ask for the VCSE Organisation
Development Team

For more information on the Quality
Framework
[Click here](#)

v. 2022