

Start Up Guide

This is a step by step guide for starting up a voluntary or community group. The information below describes what needs to be done to turn it into a constituted group which can galvanise support, and take action.

ORGANISATION NAME:	
ORGANISATION CONTACT:	
REPORTING OFFICER:	
DATE:	

First Steps

- Discuss the aim and purpose of the group.

Governing Document –Decide on a structure. This will determine what your governing document should be. A summary of each structure is on the second page.

Do you want to be a:

- • unincorporated organisation
- • unincorporated charity
- • Scottish Charitable Incorporated Organisation (SCIO)
- • Charitable company
- • Community Interest Company
- • Community Benefit Society

- Committee/Board – you need at least 3 people on the committee/board to start it up. They usually take on the chair, secretary and treasurer roles and other committee/board members can be added as the group develops.

Next Steps

- Once the above has been agreed organise an inaugural meeting to vote on the committee, adopt constitution and agree signatories for the bank accounts. This is also an opportunity to invite others along to discuss the purpose of your group and what you aim to do.
- Arrange to open a bank account with the signatories agreed at the inaugural meeting. Number of signatories must be in line with the requirements in the governing document.
- Once account is opened, the group can look at funding opportunities.
- Develop relevant policies and/or procedures for committee/board and volunteers, this can include reimbursement of out of pocket expenses, processes for agreeing expenditure, code of conduct and conflict of interest policy for management committee/board members, and volunteers etc.
- Consider whether to co-opt onto committee e.g. key people from funders or local community.
- Decide whether the committee require training to enable them to carry out their roles effectively.
- Plan committee meeting dates/times and venues to ensure committee members are aware of the dates well in advance

Action Plan

Action Point	By whom	By When

ORGANISATIONAL STRUCTURES

Unincorporated Organisation/Unincorporated Charity

Unincorporated organisations/charities are not regarded by the law as 'legal entities' as they do not have a separate legal personality distinct from their members or management committee. They are essentially a group of individuals working towards a common purpose. If wishing to enter into agreements such as a lease or building contract, the individuals must do so on behalf of the organisation meaning that they therefore incur personal liability. Suitable for small voluntary organisations or small charities with no employees or property.

SCIO

Scottish Charitable Incorporated Organisation - a legal charity structure which is regulated by OSCR and has a legal identity and limited liability for members.

Charitable Company (Company Limited By Guarantee with Charitable Status)

A legal structure for charities. As a legal entity the company can employ staff and enter contracts, but there is a limited liability of (typically) £1 per member in the event of the company going into liquidation..

Community Interest Company (CIC)

Community Interest Company is a distinct legal structure which may be limited by guarantee or by shares. Often used by social entrepreneurs who wish to develop an enterprise and employ themselves in it. Cannot become a charity.

Community Benefit Societies

Regulated by and registered with the Financial Conduct Authority, co-operatives and community benefit societies are organisations which give a broad membership equal stake and equal say in management. A Co-operative provides benefits to its members, while a community benefit society is for the benefit of the community.