

Empowering West Berkshire

EWB

The management committee/board

Responsibilities and obligations

The management committee/board members are equally responsible in law for committee/board actions and decisions. They are collectively responsible and accountable for ensuring that the organisation is performing well, is solvent and complies with all its obligations.



The Management Committee

The management committee/board must ensure that the organisation understands and complies with its own governing document, relevant laws, contractual obligations and the requirements of any regulatory bodies

Understanding your legal structure

- Most groups and organisations in the community and voluntary sector describe themselves as community groups, voluntary organisations, or charities. Whilst these are helpful everyday references, these categories do not explain the actual legal structure of an organisation.

What are legal structures?

- All organisations have a legal form i.e. how they are defined and established in law. This legal structure is based on how your group or organisation has been formally set up or constituted.

Understanding your governing document.

- When an organisation chooses its legal structure, it takes on a particular set of rules that govern how the organisation will operate. This is called your "governing document" but may be more commonly referred to as your constitution.
- Your governing document provides essential information about your organisation
- Governing documents must be formally approved. This approval process generally requires the document to be:
 - Adopted at a meeting e.g. Annual General Meeting (AGM);
 - Signed by the Management Committee members (those in office when it is adopted);
 - Dated the day of the meeting at which it was agreed.
 - **It is essential that minutes of the meeting be recorded to show that the document has been formally agreed.**
- The Management Committee is then responsible for ensuring that the governing document is put into practice.

Internal controls

The management committee/board should maintain and regularly review the organisation's system of internal controls, performance reporting, policies and procedures.

It is the responsibility of the management committee/board to ensure that the correct framework is in place to ensure that the organisation is well run and managed. It is important that once good systems are in place, they are regularly evaluated to make sure they are still working effectively for the organisation.

Policy development

Policies provide guidance so that each time a question arises about how to implement a broad decision, there are some parameters to inform the response. Policy guidelines articulate how an organisation's overall mission and aspirations are to be pursued.

Financial oversight

Management committees sometimes express confusion over who should be responsible for financial management. Although staff may be employed, it is the duty of the management committee to ensure that the organisation complies with accepted good practice.

Compliance

Managing staff and volunteers

- The management committee/board needs to understand the distinction between employees and volunteers and ensure that good practice in the recruitment and management of both staff and volunteers is in place.
- Whether your organisation is run solely by volunteers or has paid staff (or a combination of both), the Management Committee is responsible for ensuring that systems and structures are in place to provide effective management and support. Good people management helps to contribute to the organisation's overall effectiveness and its ability to achieve its objectives

Equality and diversity

- You must ensure that your group upholds and applies the principles of equality and diversity and that the organisation is fair and open to all sections of the community in all of its activities

Taking Care

- You must act prudently to protect the assets and property of the organisation and ensure that they are used to deliver the organisation's objectives.
- It is your responsibility to safeguard the interests of the charity through good planning and management of finances, activity and risk.

Safeguarding

- Safe organisation – Safe Children. Your organisations safeguarding policies and procedures are your responsibility

Managing risk

- The management committee/board should understand and regularly review the risks to which the organisation is subject and take action to manage the risks identified.

Effectiveness

The management committee/board should have clear responsibilities and functions and should organise itself to carry out the responsibilities effectively.

Duties and responsibilities of members

- Management committee/board members should understand their individual and collective roles, responsibilities and accompanying duties. They should have these clearly outlined in writing for all management committee/board members.

The role of individual members

- How the role of management committee members is described may vary according to the size and nature of the organisation. However, all committee members are individually committing to:
 - upholding the values and objectives of the organisation;
 - giving adequate time and energy to the duties of being a trustee; and acting with integrity and avoiding or declaring personal conflicts of interest.

Effectiveness

Organising the committee's work

- The management committee/board should organise its work to ensure that it makes the most effective use of the time, skills and knowledge of management committee/board members.
- Efficiently run committees are more likely to be able to secure and retain the commitment and enthusiasm of all their members. This has to make organising the committee's work effectively a high priority.
- Well-organised committees have the following features:
 - **Strong leadership** - the chairperson has clear visibility of the committee's work and leads in planning how and when their responsibilities will be carried out;
 - **Effective meetings** - meetings are well-planned with advance papers, a clear agenda and agreed guidelines for how time, contributions and decisions are managed. Minutes are taken with note of agreed actions to be taken forward;
 - **Delegation** - the committee delegates responsibilities to honorary officers, sub-committees and working groups, as appropriate, to make efficient use of time and skills; and
 - **Broad involvement** - all committee members are encouraged to make active contributions to meetings and are willing and able to take on responsibility for actions, as appropriate to their skills and experience.

Effectiveness

Information and advice

- Management committee/board members should ensure that they receive the appropriate advice and information they need in order to make good decisions.
- Management committee members are not expected to be expert in all their areas of responsibility, but they do need to know when and where to access information and specialist advice. This includes both information regarding external matters that impact on the organisation and accessing information and advice from within the organisation itself.

A committee that is well-informed and appropriately advised.....

...limits their legal liability if anything should go wrong

...is confident that they are meeting their legal responsibilities and obligations

....is kept in touch with the organisation and its activities.

...is open and responsive to the needs and concerns of stakeholders

...anticipates and responds to relevant developments and changes, ensuring the organisation can maintain and develop its role and services

In summary....

- A management committee that is well-informed and accesses appropriate advice is confident in its decision-making and effective in its leadership of the organisation.

Effectiveness

Skills and experience

- Management committee/board members should have or ensure that they have access to the diverse range of skills, experience and knowledge needed to run the organisation effectively.
- The responsibilities of the management committee vary widely and it is unlikely that each member will possess all the skills, experience and knowledge required. Indeed, some committee members may have been recruited specifically for their skills in a particular area. However, you should ensure that, as a collective, the committee holds the necessary expertise.

What expertise is required

- All management committee members will need to have or develop knowledge & experience of:-
 - the organisation's core business;
 - organisational management;
 - financial management; and
 - governance in the voluntary and community sector.

Effectiveness

Staff

- You should ensure proper arrangements for the supervision, support, appraisal and remuneration of all staff including the employee in the most senior position.

The management committee as the employer

- Where an organisation involves paid staff, you are ultimately the employer. They are therefore responsible for ensuring that systems and structures are in place to provide effective management and support.
- Good people management helps to contribute to the organisation's overall effectiveness and its ability to achieve its objectives. Effective support mechanisms and appropriate remuneration help to retain staff commitment and expertise, to the long term benefit of the organisation and its beneficiaries.
- You have specific responsibility for providing direct support, supervision and appraisal for the most senior staff member. This role is usually carried out by the Chairperson. Beyond this, the Management Committee do not usually directly line manage staff or volunteers.

Training, development and support

- Management committees should have or ensure that all their members receive the necessary induction, training and on-going support needed to discharge their duties effectively.

Volunteers

- The management committee should ensure proper arrangements are in place for the recruitment, supervision and support of all volunteers including clearly defined written roles and a policy is in place to reimburse reasonable out of pocket expenses. Policies and procedures should refer to volunteers as well as paid staff as appropriate.

Reviewing and Renewing

Renewal and recruitment

- Recruitment of new management committee/board members should be open and focused on creating a diverse, skilled and effective management committee/board. The management committee/board should plan for and have a strategy for its own renewal.

Review

- The management committee/board should periodically carry out reviews of all aspects of the organisation's work, starting with its governing document, and use the results to inform positive change.

Performance appraisal

- The management committee/board should regularly review and assess its own performance, that of individual management committee/board members and of sub-committees, standing groups and other bodies.

Openness

- The management committee/board should be open, responsive and accountable to its users, beneficiaries, members, partners, funders and others with an interest in its work

Communication and consultation

- Each organisation should identify those with a legitimate interest in its work (stakeholders) and ensure that there is regular and effective communication with them about the organisation.

Openness and accountability

- You should be open and accountable to stakeholders about its own work and the governance of the organisation.

Stakeholder involvement

- You should encourage and enable the engagement of key stakeholders, such as users and beneficiaries, in the organisation's planning and decision-making.

Chairperson

Characteristics of a good chairperson

- The chairperson plays a key role on any voluntary management committee. Below are summarised some of the key qualities, skills and knowledge that are characteristic of an effective chairperson.

A good chairperson will:

- Make all members feel valued
- Strive for consensus, using his/her casting vote sparingly
- Listen to others
- Encourage new faces onto committee
- Plan for the future
- Make new members feel welcome
- Allow others to take responsibility
- Keep calm
- Know when to stand down

A good chairperson will not:

- Be the person who talks most at the meetings
- Make all the decisions
- Allow one or two people to dominate meetings
- Cut people out of discussions
- Allow meetings to become unproductive
- Make people feel foolish or useless
- Force people to contribute to discussions
- Lose his/her temper
- Stay too long

What is the role of the chairperson?

- Chairing is a key role on any voluntary Management Committee. The Chairperson must ensure that the Management Committee functions properly, that there is full participation during meetings, that all relevant matters are discussed and that effective decisions are made and carried out.
- The role of a Chairperson is time consuming, with work between meetings, external representation of the organisation, and work with staff. Chairing a large organisation requires diplomatic and leadership skills of a high level.

Main duties of the chairperson

The responsibilities of a Chairperson can be summarised under four areas:

- 1. To ensure the Management Committee functions properly.**
- 2. To ensure the organisation is managed effectively.**
- 3. To provide support and supervision to the chief officer.**
- 4. To represent the organisation as its figurehead.**



Treasurer

Characteristics of a good treasurer

- The treasurer of a management committee plays a vital role. Below are summarised some of the key qualities and skills required for an effective treasurer.

A good treasurer will:

- Be trustworthy.
- Be impartial.
- Feel comfortable working with figures.
- Be willing to explain figures if asked.
- Be methodical.
- Bank group money as quickly as possible.
- Make it easy for others to take over by keeping clear records.

A good treasurer will NOT:

- Commit fraud - i.e. 'borrow' group funds for his/her own use.
- Make him/herself indispensable.
- Carry group money around for weeks before banking it.
- Neglect to pay bills.
- Ignore the law.
- Overdraw group funds without the agreement of the committee.
- Pay or receive money without making a note of it.

What is the role of the treasurer?

- The Treasurer has a watchdog role over all aspects of financial management, working closely with other members of the Management Committee to safeguard the organisation's finances.
- It is important to note that although the Treasurer **ensures** that these responsibilities are met, much of the work may be **delegated** to a finance sub-committee and paid staff or volunteers.
- In summary, the Treasurer is responsible for:
 - General financial oversight
 - Funding, fundraising and sales
 - Financial planning and budgeting
 - Financial reporting
 - Banking, book keeping and record keeping
 - Control of fixed assets and stock
- Given these responsibilities, the Treasurer typically acts as an information and reference point for the Chair and other committee members: clarifying financial implications of proposals; confirming legal requirements; outlining the current financial status; and retrieving relevant documentation.



Secretary

Characteristics of a good secretary

- The role of Secretary of a Management Committee can be key to the efficient functioning of the Committee, particularly in organisations with few or no paid staff members. Below are some of the qualities, skills and knowledge which should be demonstrated by those carrying out this role.

A good Secretary will:

- Be organised.
- Keep copies of all correspondence.
- Check quorum is met for meetings.
- Respect confidentiality.
- Work closely with the Chairperson.
- Make it easy for others to take over by keeping clear records.
- Prepare for meetings well in advance.
- Summarise discussions effectively.
- Keep people informed.

A good Secretary will NOT:

- Ignore correspondence.
- Keep information to her/himself.
- Be late for meetings.
- Throw away important papers.
- Write down trivial [details](#) of all discussions at every meeting.
- Rely on his/her memory.
- Repeat private conversations.
- Organise meetings at the last minute.
- Ensure accurate minutes of meetings are kept.

What is the role of the secretary?

- The role of the Secretary is to support the Chair in ensuring the smooth functioning of the Management Committee.
- In summary, the Secretary is responsible for:
 - Ensuring meetings are effectively organised and minute
 - Maintaining effective records and administration
 - Upholding the legal requirements of governing documents, charity law, company law etc. (where relevant).
 - Communication and correspondence
- It is important to note that although the Secretary **ensures** that these responsibilities are met, much of the work may be **delegated** to paid staff or volunteers.
- Given these responsibilities, the Secretary often acts as an information and reference point for the Chair and other committee members: clarifying past practice and decisions; confirming legal requirements; and retrieving relevant documentation.



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