

## Introduction

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Governance refers to the ways that groups of people, and organisations, control and direct what they do. It starts with the rules of governance set out in the governing document, and includes not only the major decisions about running the organisation, but also the processes for making those decisions. It is also about transparency and accountability, and responsibility for legal and regulatory compliance.

## Key points

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### Governance Structures

Organisations will be either unincorporated or they will be incorporated. An Unincorporated association is a group of individuals who associate together for an agreed purpose. An Incorporated organisation (such as a company or Industrial & Provident Society) has an identity in law like a person. In an unincorporated association, someone has to sign contracts and agreements on behalf of the group, whereas an incorporated organisation can be a party to contracts itself. Incorporated organisations will always be registered, either with Companies House, or the Financial Services Authority (FSA). From 2010, a new type of organisation, the Charitable Incorporated Organisation (CIO) comes into being, and these will be registered with the Charity Commission. The choice of structure is dependent on what the organisation is set up to do and how it will operate.

### Governing Bodies

Organisations are governed by a body of people (e.g. a committee; a board; trustees; directors etc) who are appointed by some agreed process that will be spelled out in the governing document (e.g. commonly they will be elected by members at a general meeting, but some organisations have other means of appointing their governing body). These people will be responsible and accountable for all that the organisation does, and they have various duties to fulfill.

### Governing Documents

The governing document sets out the rules by which the organisation is governed. Governing documents take various forms depending on the legal structure of the organisation – for example a small club or an association might have a Constitution; a

company has a Memorandum and Articles of Association. Trusts commonly have a Trust Deed.

Governing documents explain the purpose of the organisation (sometimes called Aims or Objects); give it its own identity to distinguish it from other organisations; list the powers of the organisation (the things it can do to fulfill its purpose); explain how its governing body is appointed; set out rules about membership, and rules about general meetings of members; set out rules for managing and using the finances and property; set out what rules apply to changing the governing document and to closing the organisation down. All members of the governing body need to have a copy of the Governing Document, (which should have been signed and dated when it was adopted), and need to check it regularly to ensure that they are following their own rules.

## Registration

Charities are organisations that exist for the Public Benefit, and that have a purpose that is legally charitable. They are required to be registered with the Charity Commission once their annual income exceeds £5,000. They must comply with Charity Law.

Companies register with Companies House and must comply with Company Law. If the company is charitable, it must also register with the Charity Commission once its income exceeds £5,000 a year. Companies operating as a Social Enterprise would also have to register as a Charity if the company is Charitable (see above), or if it is not charitable, could choose to register also as a Community Interest Company (CIC).

## Sources of Help in the local area

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### CVS/Voluntary Action

Hull CVS  
The Strand, 75 Beverley Road, HULL, HU3  
1XL, [enquiries@hull-cvs.co.uk](mailto:enquiries@hull-cvs.co.uk), 01482  
324474, [www.hullcvs.org.uk](http://www.hullcvs.org.uk)

East Riding Voluntary Action Service  
Morleys House, Morleys Yard, Beverley, East  
Yorkshire, HU17 9BY, [office@ervas.org.uk](mailto:office@ervas.org.uk),  
01482 87107, [www.ervas.org.uk](http://www.ervas.org.uk)

Voluntary Action North Lincs  
4 - 6 Roberts Street, Scunthorpe, North  
Lincolnshire, DN15 6NG, [www.vanl.org.uk](http://www.vanl.org.uk)

Voluntary Action North East Lincs  
14 Town Hall Street, Grimsby, DN31 1HN,  
[office@vanel.org.uk](mailto:office@vanel.org.uk), 01472 231123

### Humber and the Wolds Rural Community Council (HWRCC)

HWRCC works to improve the sustainability and vibrancy of rural communities across the sub-region. Contact: HWRCC, 14 Market Place, Howden East Yorkshire, DN14 7BJ, 01430 430904, [info@hwrcc.org.uk](mailto:info@hwrcc.org.uk), [www.hwrcc.org.uk](http://www.hwrcc.org.uk).

## Humber All Nations Alliance (HANA)

HANA builds capacity, provides representation, advocacy, advice and information to BME communities in the Humber Sub Region. Contact: HANA, Community Enterprise Centre, Cottingham Road, Hull, HU5 2DH, [admin@hanaonline.org.uk](mailto:admin@hanaonline.org.uk), 01482 491177, [www.hanaonline.org.uk](http://www.hanaonline.org.uk).

## Other sources of help and information

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### Model Governing Documents

A variety of models and templates of different governing documents is available, e.g.: the Charity Commission publishes model constitutions for charitable associations, model memorandum and articles of association for charitable companies, and model trust deeds. Model constitutions for non-charitable associations (e.g. residents' associations) are available from Community Matters for £1.50 (go to [www.communitymatters.org.uk](http://www.communitymatters.org.uk)). Model constitutions for amateur sports clubs can be downloaded from [www.cascinfo.co.uk](http://www.cascinfo.co.uk). Model memorandum and articles of association for non-charitable companies can be purchased from legal stationers, and model memorandum and articles of association to set up Community Interest Companies (CICs) can be downloaded from the website of the CIC Regulator a [www.cicregulator.gov.uk](http://www.cicregulator.gov.uk). Your local CVS or Voluntary Action might also be able to provide you with models and templates of appropriate governing documents.

### Charity Commission & Companies House & The Regulator of Community Interest Companies (CIC)

The regulators for Charities, Companies and CICs all publish information and guidance. Their websites are: [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk) or phone 0845 300 0218; [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) phone 0303 1234 500; [www.cicregulator.gov.uk](http://www.cicregulator.gov.uk), or phone 029 20346228.

### The National Council of Voluntary and Community Organisations (NCVO)

NCVO provides a range of information, resources and support on governance. Go to [www.ncvo-vol.org.uk/governanceandleadership](http://www.ncvo-vol.org.uk/governanceandleadership), or contact the Governance and Leadership team at NCVO email [governanceandleadership@ncvo-vol.org.uk](mailto:governanceandleadership@ncvo-vol.org.uk) or phone 020 7713 6161.

### Code of Governance and Trustee National Occupational Standards

Good Governance: A code for the voluntary and community sector sets out best practice in trusteeship. It is free to download from the NCVO website, or costs £5 to order a hard copy (see NCVO above).

The National Occupational Standards for Trustees complement the Code of Governance (above) and represent a standard of best practice for the role of governance. Also free to download from the NCVO website, or £10 to order a hard copy. (See NCVO above).

### Governance Pages

Governance Pages is a simple website, providing concise and accessible information on governance for committee members of small voluntary organisations. Go to [www.governancepages.org.uk](http://www.governancepages.org.uk).

### Trustee Net

TrusteeNet is the website of Charity Trustee Networks, providing information, resources, training and guidance for all Trustees. Go to [www.trusteenet.org.uk](http://www.trusteenet.org.uk).

### Directory of Social Change

A charity that offers training and publications vital to the work of voluntary and community organisations. Go to [www.dsc.org.uk](http://www.dsc.org.uk) or phone 020 7391 4800 for training or 08450 77 77 07 for publications.

### The Russell-Cooke Voluntary Sector Legal Handbook (3rd Ed)

The essential guide to the law as it applies to charities, community groups and other voluntary organisations. It costs £60 to voluntary and community organisations (otherwise, £90). Order it from Directory of Social Change (see above) or from Sandy Adirondack. Go to [www.sandy-a.co.uk](http://www.sandy-a.co.uk) both to order the book, and to find updates, or phone her on 020-7232 0726.

### Institute of Chartered Secretaries and Administrators

Publishes various guidance and templates for company directors, including some information for Charitable Companies. They also publish The Charities Manual. Go to [www.icsa.org.uk](http://www.icsa.org.uk). Useful information sheets for charities including model policies and template letters can be found at <http://digbig.com/5bcnhm>.

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