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Committee Roles and Responsibilities

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hands

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Ministry of Housing,
Communities &
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We have advisors we can allocate to provide support on this or other topics

- If you need help and advice or have training needs with regards issues arising from Covid 19 or another aspect of setting up or running a community business, please contact us.
- You can keep up to date with information, news and events by following us on Twitter and Facebook or through our website www.plunkett.co.uk or email info@plunkett.co.uk

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- Join a growing number of like-minded people and organisations working together to help rural communities tackle the challenges they face.
- Share knowledge and experience through our network and find the right products and services with our directory of suppliers who share your values and can help your business to thrive.

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NEWS,
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EVENTS,
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TRAINING

INFLUENCE
OUR WORK TO
SHAPE THE
FUTURE OF
COMMUNITY
BUSINESS

Join today: plunkett.co.uk/membership

Agenda

- Management Committee Purpose
- Legal and Governance Obligations in Practice
- “Types” of Committee
- Committee Roles
 - Vision
 - Recruitment
 - Induction and Training
 - Named officers
 - Decision making
 - Dealing with conflict
 - Managing Staff and Volunteers
- In Summary
- Discussion and Q & A

Poll



- How many in the meeting are:
 - Chairperson
 - Treasurer
 - Secretary
 - Committee Member
 - Not on a Committee

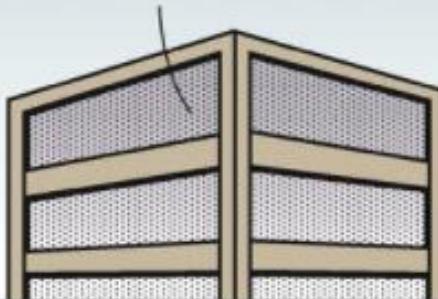
Committees can be tough!

THE COMMITTEE
DECIDED THAT THE FILE
NAMING CONVENTION
WILL START WITH THE
DATE, IN THE ORDER OF
MONTH, YEAR, DAY...



Dilbert.com DilbertCartoonist@gmail.com

... THEN A SPACE,
THEN THE TEMPERATURE
AT THE AIRPORT, AND
THE HAT SIZE OF THE
NEAREST SQUIRREL.



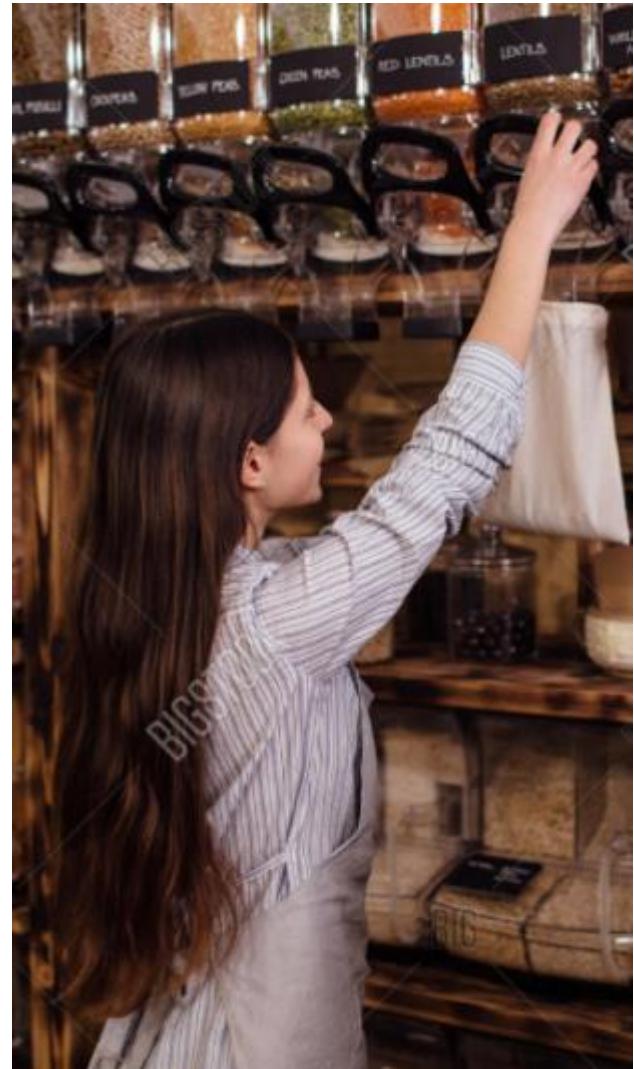
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TO BE PERFECTLY
HONEST, IT WAS A
LONG MEETING AND
WE PROBABLY DIDN'T
DO OUR BEST WORK
TOWARD THE END.



Committee Purpose

- **The management committee members are collectively responsible for everything done by the Business**
- The requirements can be demanding and wide ranging, and
- All committee members should be prepared to dedicate a reasonable amount of time and effort to managing and supporting the business
- This applies to all; not just the named functions - the Chair, the Secretary & the Treasurer).



Responsibilities of the Committee defined in the Society Rules

- **Objectives**
 - Do anything with appears to be necessary or desirable for the purposes of or in connection with your objectives
- **Capital**
 - Raise share capital and manage share register and withdrawals
 - Invest capital and funds
 - Borrow money
- **Members**
 - Maintain a membership strategy
 - Convene Members' Meetings including the annual Members' Meeting
- **Meetings**
 - Convene and minute all formal meetings
- **Finance**
 - Maintain proper accounts and produce annual accounts
- **Staffing**
 - Appoint and manage staff
 - Recruit and manage volunteers
- **Legal requirement to FCA**
 - File an annual return



What sort of Committee are you?

The Community Business



Non-executive

- Business run by a CEO/General Manager
- Paid management team
- Volunteers and staff report to management
- Strategic oversight and governance by the Committee or Trustees



Executive

- All members of the Committee are operationally involved in managing the business
- Some paid staff, or all volunteers
- Some businesses may be a hybrid – e.g. tenanted community pubs

Strategic or Executive?

- Management committee members carry out a vital role within the community and voluntary sector
Their role is not necessarily about doing, it is about ensuring that the overall strategy and objectives are implemented
- Usually some or all of the day-to-day management of the organisation will be delegated to paid staff or to volunteers
- The Management Committees of smaller organisations are often much more actively involved, depending on the nature of the business

Members of the management committee/directors should always behave in a professional manner, and in the interest of all members. Best practice recommends that all committee members sign up to a formal **Code of Conduct**

Poll



- What type of committee do you represent
 - Non-Executive/Strategic
 - Executive/Operational
 - Not on a committee

Executive Responsibilities



- **Dealing professionally with staff and volunteers.** Managing staff will involve regular performance reviews, putting in place disciplinary & grievance procedures, writing contracts, organising PAYE etc. Having one key contact from the management committee/ directors to liaise with staff is key – rather than employees having 12 bosses. *Managing volunteers is a separate webinar!*
- **Managing statutory requirements.** These will include health & safety, food hygiene, the premise license, fire procedures, and the sale of restricted goods
- **GDPR, and the general management of data;** to ensure good communication and the necessary control of personal information

Non-executive responsibilities

- **Financial Reporting.** Informing the members in a timely and accurate way, submitting the annual return, payment of VAT and corporation tax
- **Engaging & involving members.** Outside the AGM/AMM, communicating with, and involving members & the broader community is vital, and will need an over-arching strategy that should involve use of social media, social events, leaflet drops & poster campaigns & regular surveys
- **Managing the share register.** This is a key legal requirement, and will be governed by the organisation's rules or articles



- **Custodian of members' assets.** All decisions should be financially prudent, in keeping with the aims & objectives of the organisation, and in line with members wishes
- **Regular & consistent management committee/board meetings.** Typically these will be once a month, with an agenda that conforms to the governing document, with prescribed roles for all committee members
- **Managing the AGM/AMM & other members meetings.** Another requirement governed by the rules/articles. There are specific requirements for the chair, treasurer and secretary, including the receiving of accounts, distribution of minutes, elections of directors/ management committee
- **Holding Management to Account.** Ensuring managers and staff are implementing the purpose and strategy of the business

Setting Boundaries

- Lack of clear boundaries between the overall direction of the enterprise(strategic) and day-to-day management or operations (executive) is damaging
- Such conflict can be the result of an overlap between the role of the board and day-to-day management, so that employees feel that board members are interfering with their day-to-day work, instead of being allowed to get on with the work.
- On the other hand, if the board is too relaxed about its responsibilities, so that employees or volunteers are obliged to deal with matters which are really the responsibility of the board, again there will be problems.

Committee Roles



Committee Roles

Vision



- The Management Committee of the organisation has the responsibility for both establishing and protecting the overarching purpose, values and ethical principles which govern the activities of the organisation. These are often referred to as the vision, mission and values. Your vision, mission, and values form the foundation of your organisation and its planning for the future.
- Every community group or voluntary organisation is set up to pursue an agreed purpose. You need everyone to understand and agree to that vision.(even if not how it can be achieved)

Committee Roles Recruitment



- All management committee members should have a role description which outlines what is expected of them.
- There should also be a person specification which outlines the skills which are needed.
- Check your governing document to see if it limits the length of time people can be members of the board (limit is useful to prevent lack of diversity on the board)

Committee Roles Induction



- This is one of the most practical ways of ensuring new Management Committee members understand their role, the workings of the organisation and their relationship with others in and outside the organisation. All organisations, regardless of their size and purpose, should provide an induction programme for new Committee members. The better your induction, the more effective new members will be! Create a standard induction process for new members and reduce your ongoing training requirements.

Committee Roles Induction

- Induction Pack
 - Constitution
 - History of the project
 - Business Plan
 - Targets for the year ahead
 - Contact details
 - Role responsibilities
 - Diary of events
 - Minutes of past 12 months
 - Copies of recent Risk Assessments, Maintenance reports etc



Committee Roles Induction

• Skills and Training

- Given the level of responsibility the board holds, it is vital that every member has the skills and abilities they need to carry out their role.
- Management committees should have or ensure that all their members receive an induction, training if needed and ongoing support in order to carry out their role
- Board members may find it challenging to commit additional time and the committee may be reluctant to prioritise resources for training when finance is tight.



Committee Roles

Secretary

In summary, the Secretary is responsible for:

- Ensuring meetings are effectively organised and minuted
- 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.



Committee Roles

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, bookkeeping and record keeping



Committee Roles

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.

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

- 1. To provide leadership
- 2. To ensure the Management Committee functions properly.
- 3. To ensure the organisation is managed effectively.
- 4. To provide support and supervision to the staff and volunteers and new committee members.
- 5. To represent the organisation as its figurehead.



Committee Roles

Decision Making



- Decision making is much more effective if the committee establishes not only what is to be done but also how and when it will be done and by whom.

There are two main methods of making decisions:

1. By consensus; and
2. By taking a vote.

Most voluntary organisations mainly use consensual decision making and only take a vote in exceptional circumstances. Others routinely vote on issues.

Regardless of how decisions are taken, all committee members should be clear about exactly **what has been decided** and **decisions should be clearly minuted**.

Committee Roles

Dealing with Conflict

- Every management committee will face periods of conflict. But remember, conflict is not inherently unhealthy.
- Healthy conflict, in which conflicting viewpoints are debated, can be of significant benefit to an organisation, if it is effectively managed. However unhealthy conflict can divert energy, demoralise staff and volunteers, and prevent the organisation from fulfilling its mission.
- Voluntary organisations are strongly value-based and may experience intense conflicts about directions and policies. Others have difficulty due to conflicting roles or personal differences.



Committee Roles

Dealing with Conflict

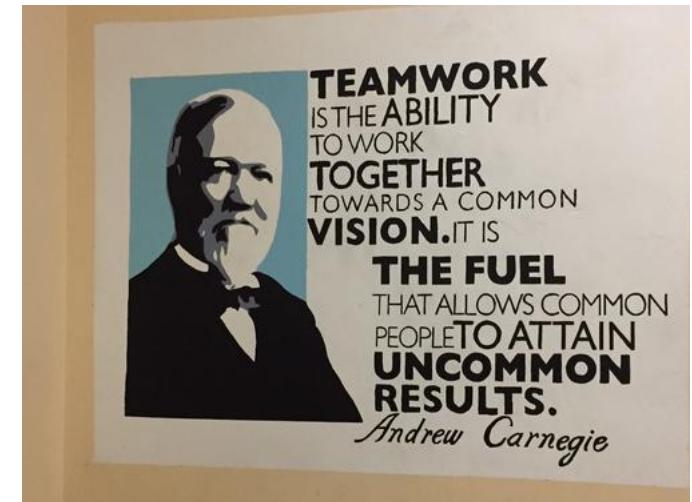


- Conflicts can be costly!
 - Time delays
 - Uncertainty of outcome
 - Member and staff time
 - Damaging publicity
 - Charges of breach of trust
 - Relationships and morale
 - Stress
 - Hampering the work of an organisation
 - Legal fees, if litigation is involved

Committee Roles

Managing Staff

- Maintaining a positive working relationship with volunteers and staff is a very important function of the management committee.
- Positive working relationships within an organisation help to get things done effectively. Conflict in whatever form is destructive and detracts from a normal, productive, working environment.



Committee Roles

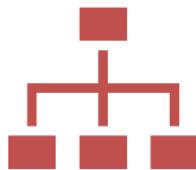
Managing Staff



Good relations between the management committee and paid staff and/or volunteers are vital to ensuring the smooth and effective running of the organisation. They help to ensure a shared vision, informed planning and effective delivery of the organisation's objectives

In practice, much of the day-to-day work of most organisations will be delegated to the staff, whether paid or voluntary

Committee Roles Managing Staff



Appropriate organisational
structure and clear lines of
responsibility



Good management
structures



Good management
committee and senior staff
relations

Committee Roles

Managing Staff



- Clarify key responsibilities:
- Where is the line between board and day-to-day operational responsibilities? Don't be too rigid, it will change over time.
- Who can take which decisions?

Committee Roles Managing Volunteers



Boundaries are still the issue here – what makes it slightly trickier is that the boundaries are in people's heads. In a community business where those involved may have more than one role

It is easy to confuse them, for example by assuming that board decisions can be taken in the workplace or undermining the authority of a staff or volunteers because you are a member of the board. It helps if you can keep issues of the direction of the co-operative separate from day-to-day operational issues

In Summary

-  Oversee the business so that it meets the defined purpose and objectives
-  Manage the requirements defined in your rules
-  Strike the right balance between the strategic objectives and day to day operational management
-  Recruit and train new committee members to meet their agreed roles
-  Understand how you will collectively make decisions and manage conflict
-  Ensure that staff and volunteer management processes are effective for all

Questions

