

1b: Setting up a new group

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This Factsheet assumes that you have read and worked through **Factsheet 1a: Starting a group**. Most of the points below are guidelines for good practice, but some do reflect legal requirements and we have indicated where this is the case.

Getting support and creating a committee

Start by thinking about who might be interested in getting involved in setting up and running the group. You will need a minimum of 3* unrelated people. (*depending on the structure you choose.) You could:

- Advertise your intentions to start a group by using posters, leaflets etc. in areas where potential beneficiaries might visit, for example a local community centre, doctor's surgery or school. You may already know people who can work with you.
- Think about the kinds of skills and knowledge you will need: planning, managing finances, budgeting, representing the group, networking and so on. Some of these skills can be learned by anyone but for some skills, you will need to find people who are naturally strong or experienced in these areas.
- How will service users (beneficiaries) be involved in the management and governance of the organisation?

There is usually a group of people from within the membership of your organisation who will be responsible for the overall running of the group:

- The constitution or governing document might call this group of people 'the Board', the 'Management Committee' or the 'Executive Committee'.
- Whatever name is used, these are the people who manage the group and are responsible for decision making and the effects of those decisions. They may or may not be the same people who will deliver the day to day services, projects and activities of the organisation.
- Depending on what your governing document says, the committee members may be elected by and from within the membership of your group; appointed by an external body; co-opted by the committee itself, and/or appointed in some other way.

Adopting a governing document (constitution)

If you are going to set up a new group then you will need to write and agree a set of rules outlining exactly what you aim to do and how you intend to do it:

- For most groups, this "*governing document*", is usually called a constitution (or, if registered as a company, the 'Memorandum and Articles of Association').
- The constitution will outline how you all agree to work together and other information such as your objects (aims), beneficiaries and area of benefit.
- It will also set out whether the group is charitable and/or not-for-profit, membership, how meetings will be run and how many, how to appoint or elect the management committee, how finances must be dealt with and how to close the organisation down (should this ever become necessary).



For help with writing your governing document, please see Factsheet 2: Constitutions

Choosing a Structure

The aims (objects) your group has and the way it will be run (who will manage it; how this happens; whether anyone will be paid) determine the most appropriate type of group or 'structure' necessary. You will need to:

- Identify early on whether the objects of the organisation are legally charitable.
- Consider whether the organisation needs to be a company (incorporated) which can reduce the risk of personal liability for members of the organisation and its management committee.
- If you are likely to employ staff, take out a lease or contract then you should consider incorporation (this means giving the organisation a legal identity). You may need to register your organisation as a charity and/or as a company.
- Your governing document needs to reflect what you aim to do and how you want to work towards this goal, as well as giving you flexibility for the future and ensuring that funders will be satisfied with your rules and risk management.

Further factsheets are available to help you through this and you can also contact Macc for assistance.

Opening a bank account

Once you have set up your group you will need to open a bank account to keep any money that the group may raise.

- The account should be opened in the name of the group (and not in the names of any of the individuals or of their businesses, etc.).
- At least two, unrelated people's signatures should be necessary in order to spend any money from the account. This means having a minimum of two signatories but it is usually a good idea to have at least three or four people who can sign cheques; this means there is always someone available if one or more of the signatories is away or ill.
- The bank is likely to want to see the organisation's constitution and proof of identity and addresses for the signatories before an account can be opened.
- Clear with the bank that you wish to open a community group account and not a business account. Shop around for the most suitable bank; consider online banking.

Insurances

- Your organisation will need **Public Liability insurance** held in the group's name.
- Brand new groups are unlikely to immediately employ staff but if your organisation has any employees, even part-time, it must also have **Employer's Liability insurance** – this is a statutory requirement.
- There are a number of other insurances that you may be required to have or may choose to have, depending on what services and activities you carry out; please see **Factsheet 6: Insurances** for more about this.

Policies and Procedures

All organisations should have policies and procedures in place, e.g. Equality and Diversity, Health and Safety, Financial Management; Data Protection, etc.

- The number of and type of policies you have should be tailored to your organisation and what you are delivering, e.g. if working with children and young people, you will need an active Safeguarding Policy.
- It is advisable that groups have policies and procedures ready, available and in use as soon as possible. For more information, please see **Factsheet 7: Policies and procedures**
- If you employ staff or lease or own a building, your organisation should be incorporated (have a legal structure and identity) and you should always seek HR advice if employing/intending to employ staff.

Developing an action plan

In order to share out jobs and lessen the burden of information gathering, it is important for your group to spend some time initially identifying tasks and goals (short term and long term) and working out priorities and allocating tasks. Doing this will:

- Ensure that everyone knows what they are working towards and no one person gets over loaded with work.
- Make funding applications easier with a clear plan of what, when, where and how you want to do things.

Contact other groups

It is unlikely that any of the difficulties or problems that you might face in setting up a new group will be new problems. They are likely to have been experienced by other groups too. Working in partnership, sharing information and networking with other groups can be of benefit to you and to them, giving you both the extra bit of support, advice and information that you need. As well as being very attractive to funders. To find groups in your area, visit the **Manchester Directory** <https://bit.ly/2tkZP7C>

For more information, please click on the following link to see [All of our Factsheets](#)

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