



# solid foundations

a resource guide for building strong and effective  
organisations in the community and voluntary sector

*second edition*





## **preface** We are delighted to present the fully revised and updated second edition of *Solid Foundations*; a vital resource for the community and voluntary sector in Ireland.

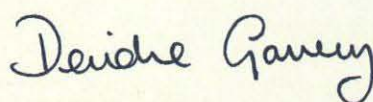
This guide provides factual information about the legal obligations of community, voluntary and charitable organisations, as well as practical advice on how they can run their organisations in line with good practice standards. This has been done in response to two main trends. Firstly, community, voluntary and charitable organisations are becoming increasingly aware of their own limitations and want to feel more confident about the internal challenges that they face on a day-to-day basis. Secondly, organisations are now facing increasing external demands, including a greater demand for transparency and accountability. It is therefore vital that they have access to accurate information about their obligations.

In essence, this guide is about building the capacity of organisations in the sector. In order to do their work well, it is essential that organisations get the basic building blocks right. These basic building blocks are: structure, governance, direction, accountability, resources and equality; together they provide the 'solid foundations' of the title.

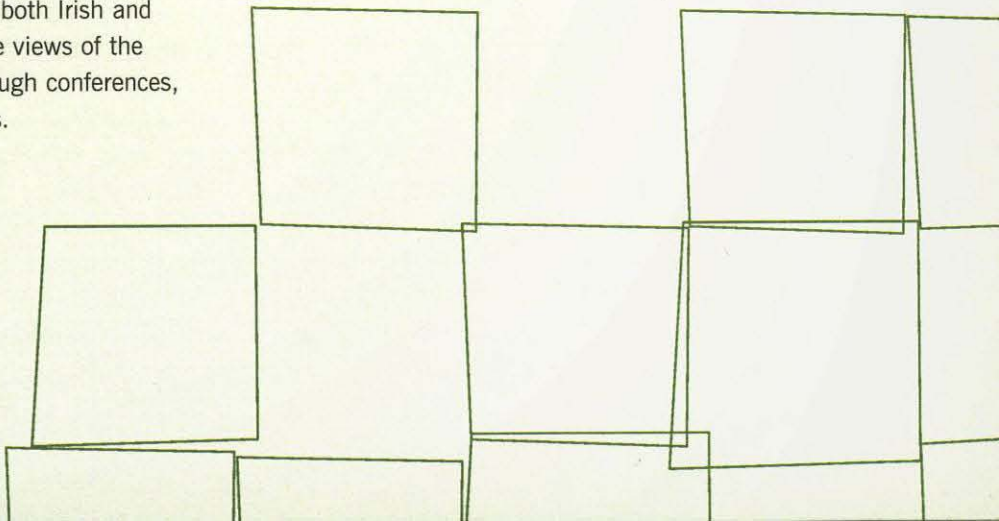
The guide has its origins in the set of good practice principles that were published in the government's *White Paper Supporting Voluntary Activity* (2000). In developing the first edition of this guide we also undertook extensive research of available resources, both Irish and international, and we sought the views of the sector and its various parts through conferences, focus groups and questionnaires.

The environment in which we now operate may have changed, but the good practice principles outlined in the White Paper are as pertinent and applicable as ever. Where appropriate we have revised and updated the guide to take account of recent developments and the evolving legal and regulatory framework.

The positive reaction to the first edition of this guide, provided the impetus for us to create a series of *Solid Foundations* good practice guides, covering the following topics: governance, risk management, HR practice, impact measurement and collaborative working. The series of *Solid Foundations* guides can be accessed via [wheel.ie](http://wheel.ie). We hope you find this second edition of the publication useful. If you have any additional information for future editions or any questions whatsoever, please do not hesitate to contact us.



**Deirdre Garvey,**  
Chief Executive Officer,  
*The Wheel* July 2012



## Written by

Sandra Velthuis, Whitebarn Consulting

## Designed by

Gráinne Murray

## Published by

The Wheel

## Edition

First edition: February 2007

Second edition: July 2012

## The Wheel

The Wheel is a leading support and representative body for community, voluntary and charity organisations across Ireland. It provides a wide range of information and support services, training and advice to individuals and organisations involved in community and voluntary activity. The Wheel also represents the shared interests of its members and the wider community and voluntary sector to government and other decision-makers.

## Disclaimer

Our goal is to provide comprehensive, timely and accurate information. This publication contains references and pointers to information kept or provided by other organisations. We therefore cannot guarantee their accuracy. It is our policy to correct any errors brought to our attention. Comments and suggestions are always welcome. Note that this document is not a replacement for seeking legal advice should that be necessary.

*In memory of Dave Ellis who devised the title of this guide.*

# contents

How to use this guide	6
A note on good practice	7

## Chapter 1: STRUCTURES: choosing the external and internal make-up of your organisation 9

1.1	Introduction	10
1.2	Legal status	10
1.3	Unincorporated bodies	11
1.3.1	Unincorporated association	11
1.3.2	Trust	11
1.3.3	Benevolent society	12
1.4	Incorporated bodies	12
1.4.1	Company limited by guarantee	12
1.4.2	Industrial and provident society	13
1.5	Charity (CHY) status	14
1.6	Tax reference number	15
1.7	Internal structures	15
1.8	Reviewing your structures	15
1.9	Checklist	16
1.10	Signposts	17

## Chapter 2: GOVERNANCE: taking responsibility for the well-being of your organisation 19

2.1	What is governance?	20
2.2	Who governs?	20
2.2.1	The governing body	20
2.2.2	Subcommittees	21
2.2.3	Working groups	21
2.2.4	Others playing a governance role	22
2.3	Responsibilities of the governing body as a whole	22
2.3.1	Annual compliance checklist for board of directors	23
2.4	Responsibilities of specific officers	23
2.4.1	Chairperson	23
2.4.2	Vice chairperson	24
2.4.3	Secretary	24
2.4.4	Treasurer	25
2.5	Responsibilities of the company secretary	25
2.6	Meetings	26
2.7	New members of the governing body	27
2.7.1	Recruitment and selection	28
2.7.2	Induction	28
2.7.3	Ongoing training	28
2.8	The Governance Code	28
2.9	Checklist	29
2.10	Signposts	30

## Chapter 3: DIRECTION: developing your strategies, plans and policies 31

3.1	The need for direction	32
3.2	Defining what you are about: visions and missions	33
3.3	Articulating your values	33
3.4	Strategic planning	33
3.4.1	Reasons for planning	33
3.4.2	The strategic planning process	35
3.4.3	Implementation	36
3.4.4	Monitoring and evaluation	36
3.5	Policies and procedures	37
3.6	Checklist	39
3.7	Signposts	40

## Chapter 4: ACCOUNTABILITY: managing your communications and relationships with others 41

4.1	The importance of accountability	42
4.2	Stakeholders	42
4.3	Effective communication methods	43
4.3.1	Your communications strategy	43
4.3.2	Annual report	44
4.3.3	Newsletter	45
4.3.4	Website and social media	46
4.3.5	Working with the media	46
4.4	Membership based organisations	47
4.5	Service users	47
4.5.1	Ways to involve service users	47
4.5.2	Customer service	48
4.5.3	Confidentiality	48
4.5.4	Client safety	48
4.6	Funders	49
4.6.1	Do we need to have our accounts audited?	49
4.7	Partners	50
4.8	Wider society	50
4.9	Checklist	51
4.10	Signposts	52

## Chapter 5: RESOURCES: maximising your assets and limiting your risks

53

5.1	The need for resources	54
5.2	Money	54
5.2.1	Fundraising	54
5.2.2	Financial management	55
5.3	Premises and equipment	56
5.4	Information	56
5.4.1	Managing information and communications technology	57
5.4.2	Data protection	57
5.4.3	Freedom of information	57
5.4.4	Copyright	57
5.4.5	Trade marks	57
5.5	People	58
5.5.1	Recognising all of the people involved	58
5.5.2	Paid staff	58
5.5.3	Volunteers	60
5.5.4	Other human resources	60
5.6	Managing risk	61
5.6.1	Threats and opportunities	61
5.6.2	Health and safety	63
5.6.3	Insurance	63
5.7	Checklist	64
5.8	Signposts	65

## Chapter 6: EQUALITY: making your organisation accessible, diverse and inclusive

67

6.1	Why equality?	68
6.2	Equality law	68
6.2.1	The scope of equality law	68
6.2.2	Discrimination	68
6.2.3	Employment equality	69
6.2.4	Equal status	69
6.2.5	Reasonable accommodation	70
6.3	Good practice in equality	70
6.3.1	A strategic approach	70
6.3.2	Organisational culture	70
6.3.3	Proofing	71
6.3.4	Accessibility	71
6.3.5	Diversity	71
6.3.6	Inclusion	71
6.4	Checklist	72
6.5	Signposts	73

Some more useful signposts 74

Glossary 75

Index 82

## how to use this guide

This guide can be used by any community, voluntary and nonprofit organisation, any NGO, and any charity in Ireland, regardless of age, size, location or area of focus. You can read it from cover to cover, or more likely, you can use it as a reference tool as and when needed.

The guide distinguishes between what you **must do** by law and what you **ought to do**, or what you **could aspire to do**, in terms of good practice when setting up and running your group or organisation. As this will vary according to your legal structure, we have provided a system of symbols so that you can clearly identify what information and advice applies to your own particular situation:



This applies to organisations that are companies limited by guarantee



This applies to organisations that have a CHY (charity) number



This denotes a legal requirement



This is recommended good practice, but not currently required by law

(Some paragraphs have no symbols; these contain explanatory information for all.)

We strongly advise you to read the information on **structures** (chapter 1) first, so that you are absolutely clear of your own structure and its legal implications. Please note that although there is much reference to the law, it is outside the scope of this guide to cover every law that could potentially apply to your organisation. We have identified the laws that are key for the greatest number of organisations, but are fully aware that our listing is not comprehensive. If you are unsure about any legal matters, you must seek formal legal advice.

*Solid Foundations* aims to cover all significant issues that groups and organisations must address, namely: **governance** (chapter 2), **direction** (chapter 3), **accountability** (chapter 4), **resources** (chapter 5) and **equality** (chapter 6). Yet at the same time, the guide aims to be as concise as possible. It cannot therefore go into significant detail on any one issue. Detailed **signposts** to further reading and other resources are provided at the end of each section, with a further section towards the end of the guide.

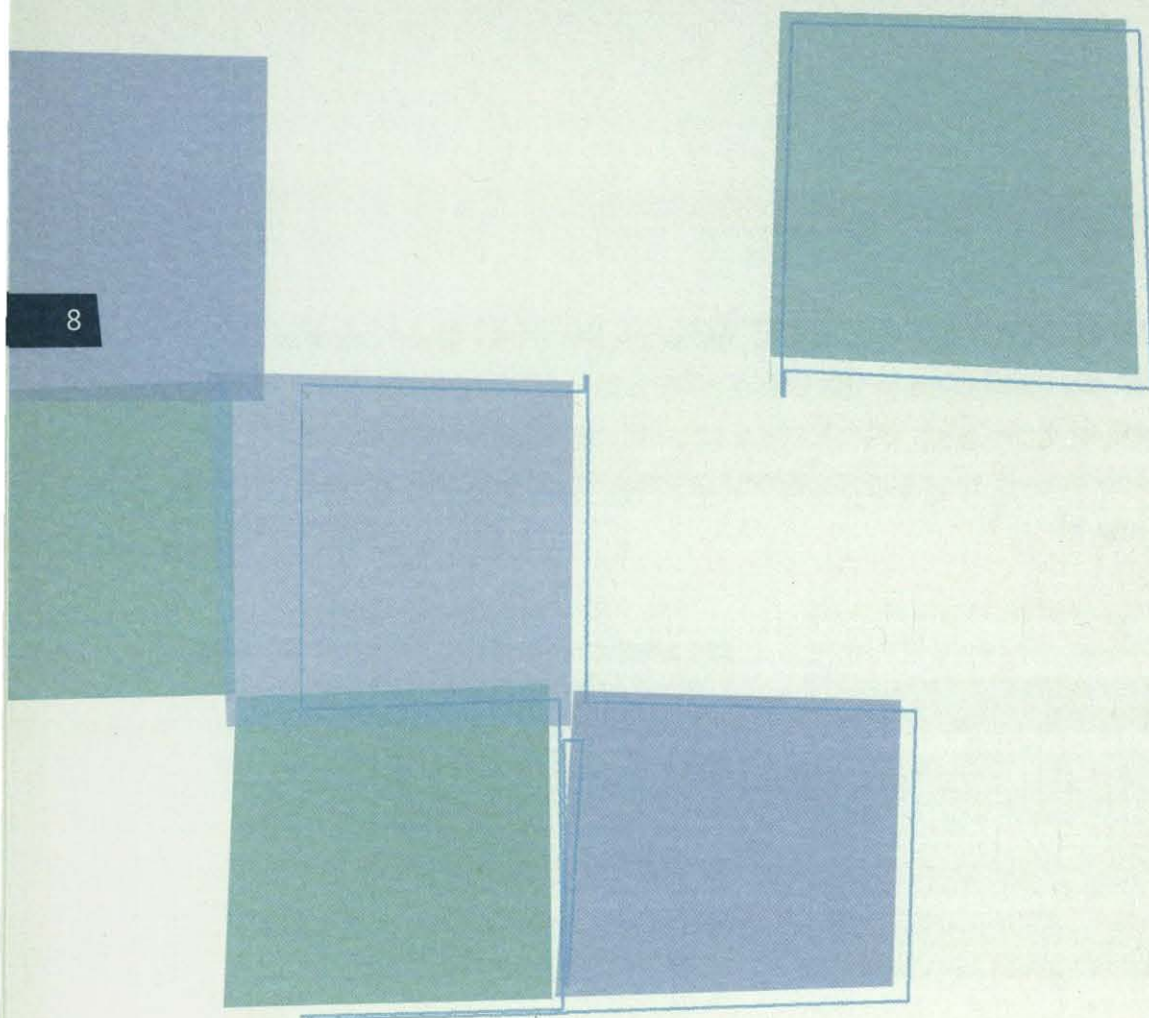
Finally, **checklists** are provided at the end of every chapter, which you can use in one of two ways. You can complete the checklists before you start reading the guide to identify the areas that you feel are adequately covered at present and those that require more attention from you. Alternatively, you can work through the guide chapter by chapter and tick items off as you complete them. You should aim to tick 'yes' to every question. If you do not know the answer to any question, make it your business to find out!


To keep this guide as user-friendly as possible, we have provided a **glossary** of 'jargon-busting' terms towards the end. Also, an **index** provides a quick search ability to locate topics of particular interest to you.

**a note on good practice** Although the terms 'good practice' and 'best practice' are often used in the community and voluntary sector and although most people agree good practice is a good thing, what does it really mean? Giving some examples of good and bad practice is perhaps the easiest way of demystifying it:

Good practice	Bad practice
Aiming for high standards in all that you do	Cutting corners whenever you can
Finding out about laws and regulations affecting the organisation	Failing to find out about laws and regulations affecting the organisation
Assessing risks regularly and dealing with them	Ignoring risks and hoping for the best
Treating everyone with fairness and respect	Ignoring equality and allowing discrimination, harassment or bullying

However, how do you turn intentions of good practice into concrete action? It can feel overwhelming, especially for smaller groups. You must always work within the law, but in terms of other measures, you should adapt what is best for your organisation at its particular stage of development. Written guidelines – such as terms of reference, policies, codes of practice and handbooks – that are reviewed regularly and distributed to all relevant people in the organisation are very useful. Finally, if you do not have the required expertise within your organisation for any particular issue, it is your responsibility to seek it elsewhere. There are many people, publications and services out there that can help you, both within Ireland and further afield, many of which are listed in the 'Signposting' sections of this guide.





## CHAPTER 1: STRUCTURES

### choosing the external and internal make-up of your organisation

In this chapter, you will find out why having a legal structure for your organisation is recommended for the majority of organisations, and you will recognise which legal structure best suits your own organisation, given the options available at present. You will also find out the implications of being a 'charity'. Other areas covered in brief are tax reference numbers, internal structures and structural review.

## 1.1 Introduction



This chapter looks at all the options for the structure of a community and voluntary organisation and focuses on the benefits of having a legal structure. None of the current options for structuring organisations are completely ideal, and future changes are likely. The Charities Act was passed in 2009, but by the time this edition was published, it had not been commenced in full. There may in future exist a new legal structure for charities called a Charitable Incorporated Organisation; however this option is not presently available. It is important that you keep abreast of developments in this field and, if necessary, change your structure in the coming years.

## 1.2 Legal status

Irish law gives adults 'legal status'; it recognises individuals in the legal system and offers them a certain amount of legal protection. However, it does not recognise a group of people as having legal status if they do not have a formal legal structure. This means that each of the individuals who make up the group have full legal liability if something goes wrong.

The process of 'incorporation' confers a separate legal status on a group, which means the liability of the individuals is limited and the group can commit legal undertakings, such as entering into contracts. Unless your group is very small and informal, it is usually recommended that you seek a legal structure (or 'personality' as it is sometimes referred to) for the group.

The following table outlines the different structures that are available to a group.

	UNINCORPORATED			INCORPORATED	
Organisational structure	Unincorporated association	Trust	Benevolent society	Company limited by guarantee	Industrial and provident society
Legal personality	No	No	No	Yes	Yes
Governing document	Constitution	Deed of trust	Rules	Memorandum and articles of association	Rules
Relevant statutory body	None apart from Revenue Commissioners if a charity	Commissioners for Charitable Donations and Bequests for Ireland	Registrar of Friendly Societies	Companies Registration Office and Office of the Director of Corporate Enforcement	Registrar of Friendly Societies

## 1.3 Unincorporated bodies

### 1.3.1 Unincorporated association

An unincorporated association is a group that does not have a separate legal personality of its own. Usually the group's activities are limited to, for example, holding social or community events. Any possible liability can be dealt with by having adequate insurance cover. For example, a bridge club might meet on a weekly basis in a local hotel. The hotel's public liability insurance will cover accidents happening on its premises. The bridge club organisers will incur any other liability, but the club's insurance policy should cover that sufficiently. The advantages of an unincorporated association are that it is relatively easy and inexpensive to set up, it is suitable for small organisations and the amount of regulatory requirements it has to deal with is minimal. The disadvantages are that the members of the association may find themselves personally liable for the actions or debts of the association. The association may also have difficulty establishing its credibility and entering into contracts, particularly if it wishes to employ staff or lease property.

Where an unincorporated association structure is appropriate, it is quite possible for a group of people to come together and undertake activities simply by verbal agreement. However, this is likely to be quite limiting. How can you confirm what has been agreed? How can you expect other people to take you seriously? Will a bank allow you to hold an account?



It is therefore a good idea to draw up a written constitution outlining the aims, activities and rules for running your group. The Revenue Commissioners have produced a standard template for a constitution.

A constitution will clarify issues such as:

- Who can be a member of your group?
- How does a person become a member?
- Is there any circumstance under which a person can have their membership taken away from them?
- Would the person losing their membership have a right to appeal?
- How often are meetings of the members held?
- How much notice of meetings should be given to the members?
- What is the quorum?
- Who has the right to vote?
- How will the management committee be elected?
- How often will the management committee meet and what will be the quorum?
- Are there any restrictions on how many terms a person can serve on the management committee?
- Can the management committee delegate any of its work to subcommittees?

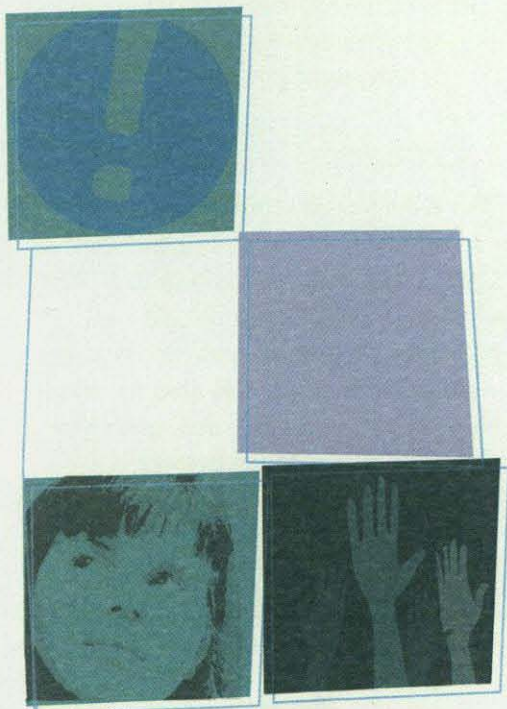
### 1.3.2 Trust

This is a structure where a number of people, known as 'trustees', are appointed under a legal document known as a 'deed of trust', usually in order to hold and administer funds or property on behalf of a group/beneficiaries. This does not confer legal status on the group and, given that the power rests with the trustees, the structure is considered to be less appropriate for community-based organisations. Trust law is also complex and may require you to engage professional assistance. However, it

may be useful if a number of organisations wish to buy premises together or for smaller charities, where a property or properties are held for particular charitable purposes and overseen by the trustees.

### 1.3.3 Benevolent society

A friendly society is a mutual association for its members. There are three types of 'friendly society', all regulated by the Registrar of Friendly Societies. The one which is generally charitable in nature and applies to voluntary associations, is known as the 'benevolent society' which has a governing document known as the 'rules'. It does not provide a separate legal entity. It is very little used, with only around a dozen such societies registered.



## 1.4 Incorporated bodies

### 1.4.1 Company limited by guarantee



For community and voluntary groups wishing to incorporate, the most commonly used structure is as a company limited by guarantee without share capital under the Companies Acts 1963 – 2009. The advantages include limiting the liability of members and allowing the organisation to enter into contracts in its own name. It is therefore suitable for larger organisations and also any wishing to employ staff, lease property, etc. Disadvantages include the costs associated with forming and maintaining the company and compliance with company legislation, which can be onerous in terms of administration.



Company members control the company, but elect officers known as 'directors' who govern the company. Liability of members is limited, usually to a token amount of €1 or so. Guidance for setting up and running a company limited by guarantee is available from, amongst others, the Companies Registration Office and the Office of the Director for Corporate Enforcement. Incorporation requires the drawing up of a memorandum and articles of association that lay down the 'objects' of the company (its aims) and the rules by which it will work. You may only do what is in your 'memo and arts'! There is a standard template in the Companies Act 1963 (Table C), and the Revenue Commissioners have also produced a standard template.



To form a company limited by guarantee, you must:

- Finalise your memorandum and articles of association.
- Have the end of both these documents signed and dated by the first members of your company. These members are known as the 'subscribers', and you must have

at least seven such members. They must also give their names and occupations (usually referred to as their 'descriptions'). The signatures must be witnessed, co-signed and dated by someone other than one of the subscribers, together with their address.

- Complete a Companies Registration Office (CRO) A1 form. Carefully read the notes provided with the form and complete the form in black ink. Watch out for the following:
  - 'Registered office': the official address of the company to which, for example, CRO notifications can be sent.
  - 'Secretary': every company must have a company secretary who is responsible for ensuring that the company complies with its legal requirements, for example, to keep minutes, send in annual returns, etc (see section 2.4.5)
  - 'Presenter': the person who is sending in your company application should complete this section.
  - 'Directors': each director of the company should complete and sign this section. You must have at least two directors. The directors are usually two or more of the subscribers.
  - 'Subscribers': the people who signed your memorandum and articles of association must also sign the A1 form.
  - 'Company capital etc': this is not relevant to a company limited by guarantee.
  - 'Declaration of compliance': one of your directors or your company secretary must complete this section, unless you have engaged a solicitor to do the work. Normally community and voluntary groups complete the section; *'or (b) that the activity cannot be so classified but is precisely described as follows'* by inserting the main object of the company as set out in your memorandum of association. The person making the

declaration must have his/her signature witnessed by one of the people listed, such as a Commissioner for Oaths or a practising solicitor.

- Submit the completed A1 form, your signed memorandum and articles of association and the €100 registration fee (€50 if the application is made on-line).



It is a legal requirement for a company limited by guarantee to use 'Limited' (or 'Ltd'), or in Irish 'Teoranta' (or 'Teo'), after its name in all its business letters, notices, other official publications, cheques, invoices and receipts. In certain circumstances, a company may be exempt from this requirement. The exemption is granted to a company whose objects are the promotion of commerce, art, science, education, religion or charity. The company must use its income to promote these objects and not pay a dividend to its members. In addition, if it is being wound up, its assets must go to another company having one of the objectives listed above. The CRO provides an application form (G5) and information leaflet (number 24) with full details of what possible amendments may be required to the memorandum and articles of association for such an exemption to be granted.

#### 1.4.2 Industrial and provident society

Organisations may incorporate under the Industrial and Provident Societies Acts 1893 – 1978. As the legislation requires that an industrial and provident society must intend to carry on an 'industry, business or trade' very often such societies will be profit-making and allow distribution of profits amongst members. An example is a cooperative formed to supply fruit and vegetables to its members. This structure is less common within the community and voluntary sector and not generally suitable for campaigning groups. The governing document of an industrial and provident society is known

as the 'rules' which has many features in common with the memorandum and articles of association of a company limited by guarantee. Contact the Irish Cooperative Organisations Society for further information about co-operatives and their structures.

## 1.5 Charity (CHY) status



There is a widely held belief that having a CHY number from the Revenue Commissioners confers a legal status of being a 'registered charity' – this is not so. It is a tax designation, providing certain tax exemptions for organisations, including capital gains, corporation, gift, inheritance, stamp duty, probate and savings taxes, but not value added tax (VAT) or payroll taxes. Having a CHY number is also very useful for fundraising purposes, and many funders will not provide you with money unless you have one.



Both unincorporated and incorporated bodies may apply for a CHY number, although it can be difficult for an industrial and provident society to obtain one, because of the possible distribution of profits to members. It is essential to have some sort of governing document (constitution, trust deed or memorandum and articles of association). In order to qualify as a charity you must ensure all your funds are spent on charitable purposes which are currently defined by case law as:

- Relief of poverty
- Advancement of education
- Advancement of religion
- Other purposes of a charitable nature beneficial to the community.

As a charity you may not engage in lobbying, campaigning or party political activity in such a way as to compromise your charitable purposes.



To apply for recognition as a charity with the Revenue Commissioners you must do the following:

- If you are a new organisation, it is useful to apply for charitable status before finalising your governing document, as the Revenue Commissioners may require you to make some changes. Making these changes before formally adopting your constitution or registering as a company can save you time and money.
- Acquire the CHY1 form from the Charities Section of the Revenue Commissioners. Explanatory information is provided with the form.
- Send your completed CHY1 form to the Charities Section, together with your governing document (or if setting up a new organisation, your draft governing document), a statement of activities and plans for the next 12 months, copies of annual reports and your latest financial statement. There is no fee for this application.

Please note that if you have to pay rates on your premises, you are not automatically entitled to rate relief by virtue of having a CHY number. You will have to make an application for exemption to the Valuation Office.

## 1.6 Tax reference number

If your organisation is interacting with the tax system it will need a tax reference number. This would be the case, for example, if you intend to employ staff or if you are applying for a tax exemption as a charity. You should apply for the tax number at your local tax office. Registration forms are available from the Revenue Commissioners. If your organisation is not a company, the appropriate form is TR1. If your organisation is a company, you will need to complete form TR2; this includes registering for PAYE and PRSI purposes as an employer. If you do not employ staff and are registering, for example, to apply for charitable tax exemption, complete the registration form for voluntary non-profit making organisations.

## 1.7 Internal structures



Once you have made a decision on your overall external structure, there is an infinite range of internal structures to choose from. This means deciding on who reports to whom, whether there should be different 'departments' or 'teams', whether staff (if any) and volunteers ultimately report to a single person at the head of the organisation, or whether there is more than one person responsible for managing the day to day activities.

Some of the points you need to consider are:

- You should decide what structure best meets the needs of your organisation now, bearing in mind that you will probably need to change this structure as your organisation develops.
- Looking at the structures of other organisations will help, but in the end you need a structure that suits your organisation.
- You need to consider whether you wish to have a structure based on a management committee or board which broadly speaking runs the organisation on behalf of the members.
- Alternatively you may wish to have a 'flatter' structure based on consensus building and greater participation by the members.
- If you have members, how wide a membership do you want? Remember that you will need to strike a balance between maintaining a degree of continuity and at the same time allowing for new blood to come into the organisation.
- At all times, try to keep your structures as clear and simple as possible. For example, if you are a membership organisation, you may need different forms of membership, such as full, associate and honorary members with different voting rights. However, unless this is absolutely necessary, keep it simple, with one type of membership with equality of voting rights.
- As you grow, you may have different sections or departments, based on geography, function, service or some other criteria. You need to plan for such changes. Structures designed for smaller organisations are unlikely to be able to deal with a wider scenario that may involve local branches, semi-autonomous projects within large organisations, consortia made up of several organisations, and so on.

## 1.8 Reviewing your structures



When did you last review your structures? You should evaluate your structures regularly as part of your strategic planning processes (see section 3.4). If there are inconsistencies and inflexibilities in your structures that are hindering the way that you work, you should deal with these as openly and swiftly as possible. However, beware of ad hoc changes that are not reflected in your governing document!

## 1.9 Checklist

Questions for the organisation	Yes	In progress	No
Are you keeping yourself informed about changes to legal structures for community and voluntary organisations?			
Have you discussed and agreed that you currently have the most appropriate type of structure for your organisation?			
Do you have a written governing document (constitution, memorandum and articles of association, trust deed or rules)?			
Do you have CHY status or if not, do you know the reasons why?			
Do you have a tax reference number, or if not, do you know the reasons why?			
Are you confident that your organisation's internal structures meet your needs?			

## 1.10 Signposts

Please contact The Wheel  
for further information:

**The Wheel**

48 Fleet Street  
Dublin 2

Tel: 01 – 454 8727  
[www.wheel.ie](http://www.wheel.ie)  
[info@wheel.ie](mailto:info@wheel.ie)

### Additional signposts:

**Carmichael Centre for Voluntary Groups**

Carmichael House  
North Brunswick Street, Dublin 7

Tel: 01 – 873 5702  
[www.carmichaelcentre.ie](http://www.carmichaelcentre.ie)

- *Setting Up a New Voluntary or Community Group, 2006*

**Commissioners of Charitable  
Donations and Bequests for Ireland**

12 Clare Street, Dublin 2

Tel: 01 – 676 6095  
[www.charitycommissioners.ie](http://www.charitycommissioners.ie)

**Companies Registration Office**

Parnell House  
14 Parnell Square, Dublin 1

Tel: 01 – 804 5200 or  
Locall: 1890 – 220 226  
[www.cro.ie](http://www.cro.ie)

**Irish Cooperative Organisations Society**

The Plunkett House  
84 Merrion Square, Dublin 2

Tel: 01 – 676 4783  
[www.icos.ie](http://www.icos.ie)

**Irish Statute Book**

[www.irishstatutebook.ie](http://www.irishstatutebook.ie)

- *Standard memorandum and articles of association (on the website, go to 'Acts of the Oireachtas 1960 – 1969', click on '1963' and then 'Companies Act 1963'; towards the end of the contents click on 'First Schedule' and scroll to 'Table C')*

**Law Reform Commission of Ireland**

35-39 Shelbourne Road  
Ballsbridge, Dublin 4

Tel: 01 – 637 7600  
[www.lawreform.ie](http://www.lawreform.ie)

- *Charitable Trusts and Legal Structures for Charities, 2006, [www.lawreform.ie/-fileupload/Reports/ReportCharitableTrusts.pdf](http://www.lawreform.ie/-fileupload/Reports/ReportCharitableTrusts.pdf)*

**Office of the Director of Corporate  
Enforcement**

16 Parnell Square, Dublin 1

Tel: 01 – 858 5800 or  
Locall: 1890 – 315 015  
[www.odce.ie](http://www.odce.ie)

**Office of the Revenue Commissioners**

Charities Section, Government Offices  
Nenagh, Co. Tipperary

Tel: 067 – 63400 or

Locall: 1890 – 666 333

[www.revenue.ie](http://www.revenue.ie)

- *Standard constitution,*  
[www.revenue.ie/en/tax/itforms/stancons.pdf](http://www.revenue.ie/en/tax/itforms/stancons.pdf)
- *Standard memorandum and articles of association,* [www.revenue.ie/en/tax/it/forms/stanmemo.pdf](http://www.revenue.ie/en/tax/it/forms/stanmemo.pdf)

**Office of the Registrar of Friendly Societies**

Parnell House

14 Parnell Square, Dublin 1

Tel: 01 – 804 5499 or

Locall: 1890 – 220 225

**Valuation Office**

Irish Life Centre

Abbey Street Lower, Dublin 1

Tel: 01 – 817 1000

[www.valoff.ie](http://www.valoff.ie)

## CHAPTER 2: GOVERNANCE

### taking responsibility for the well-being of your organisation

In this chapter, you will learn what is meant by the term 'governance' in relation to the community and voluntary sector and why good governance is essential. You will be able to clarify who plays a governance role in your organisation and the rights and responsibilities that come with that role. Both the duties of the whole governing body and those of specific officers will be dealt with. The importance of running effective meetings will be stressed, and you will learn how best to recruit and train new members for your committees.

## 2.1 What is governance?

The word 'governance' is relatively new in the community and voluntary sector in Ireland and can be off-putting for people. There are many definitions, but essentially, governance means being in control and taking overall responsibility for the work of the organisation. It is distinct from 'management' (organising the work) and 'operations' (doing the work). It is therefore about 'the big picture', about leadership and about ensuring that an organisation is properly run. It is not so much about doing; rather about ensuring that things are done.

## 2.2 Who governs?



Who does what in an organisation depends very much on the size of the organisation. In all-volunteer groups and very small organisations, the governing body will almost certainly also be involved in management and even operational matters, but as organisations grow, the governing body should deal only with governance matters, delegating management to (senior) staff and day-to-day operations to other staff and volunteers. It is very important that everyone within an organisation is very clear at any one time about who does what and where the boundaries for decision-making and reporting lie.

### 2.2.1 The governing body

The governance role rests with the governing body, the decision-making body of the organisation. You can call the governing body of your organisation whatever you feel is appropriate. The following are terms commonly used within the community and voluntary sector: **board of directors, board of governors, committee, council of management, executive committee, management committee, core group**, etc. Sometimes there is the possibility for confusion – some organisations have, for

example, both a board and a management committee or both a council and a board. Be absolutely clear which body is the governing body - the buck stops there!



Some organisations have a governing body with as few as two members. However, in order to provide the organisation with the range of skills necessary to run it effectively, and in order to represent the diverse community in which it operates, the governing body should be larger than this. Eight to twelve members is appropriate in most cases; however for some organisations, there may be a legitimate reason to have a larger governing body (membership/stakeholder representation, fundraising etc). Regardless of the organisation's size, members of the governing body should:

- Be committed to the aims of the organisation
- Attend meetings regularly
- Review any documentation sent in advance of meetings
- Be prepared to make individual contributions
- Get involved in the work of subcommittees and working groups as appropriate
- Promote the work of the organisation
- Take their responsibilities seriously.



In the vast majority of cases, members of the governing body are volunteers, although they may not describe themselves, or even think of themselves, as such. If your organisation has a CHY number, normally you may not remunerate members of the governing body for their governance role, although, as volunteers, they are of course entitled to have vouched out-of-pocket expenses reimbursed.



Also, if you have a CHY number, you are not normally allowed to have paid staff on the governing body, although staff may report at meetings of the governing body if appropriate. It is generally not considered good practice to have a member of staff sitting on a governing body, unless in the capacity as a staff representative. In some cases, the Revenue Commissioners have allowed organisations to have a staff member as a director, and if you wish to have a staff director you must make a case for this (before you take any action) to the Revenue Commissioners. Where this has been allowed, the Revenue Commissioners have required the following clause to be put in the governing document after the standard clause dealing with payments of expenses to directors:

*"Provided however that nothing contained herein shall prevent the payment to one staff representative on the Board for executive services to the company provided that his/her salary is commensurate with comparable positions in other similar organisations and provided that s/he is not present at the meetings of the Board when his/her salary is discussed and voted upon."*

The governing body only has authority when it acts as a whole (or when it is 'quorate' – that is, has an agreed quorum); the individual members are not authorised to make governance decisions on their own. When they act alone or in small groups, they do so merely in an advisory capacity. It may be appropriate for a governing body, on a case by case basis, to authorise the chairperson and usually at least one other member to act in a particular situation if necessary before the next meeting and to lay down the parameters within which they may act. For example, if an unfair dismissal case was coming up which was likely to be settled on the day of hearing, a governing body may say to the chairperson 'you can settle provided it is not for more than €XXXX'.

## 2.2.2 Subcommittees



Subcommittees are generally set up on a long-term basis to take on specific tasks on behalf of the governing body, and act in an advisory capacity to that body. For example, subcommittees may be formed to undertake and oversee aspects of the organisation's activities such as volunteers, finance, fundraising, publicity, information and communications technology, staffing and employment, audit\*, and so on. Subcommittees usually consist of two to three members of the governing body and some other appropriate people, such as other volunteers or staff members. The decision-making powers of the subcommittee are decided by the governing body; having brief written terms of reference to clarify these is highly recommended. These might include: what the subcommittee's objectives are, how it will do its work, when and how it will report on the outcomes of its work, what decision-making authority (if any) it has and who its members are.

## 2.2.3 Working groups



Working groups tend to be more ad hoc and time-limited. They are usually set up to carry out a specific piece of work, for example, organising a fundraising event or locating new premises. Having at least one member of the governing body on the working group is recommended. The decision-making powers of working groups tend to be more limited than those of subcommittees and need to be decided by the governing body. Again, brief written terms of reference are highly recommended.

\*



If you are a company limited by guarantee, there is no legal requirement to have an audit committee. It would, however, be considered good practice for the governing body to ensure that the typical functions of an audit committee are fulfilled, either under the aegis of another subcommittee, or by establishing a separate audit subcommittee.

### 2.2.4 Others playing a governance role



The boundaries about who governs can, at times, get blurred, especially the boundary between the governing body (which performs its governance role on a part-time basis) and senior staff (who generally work full-time). It is therefore particularly important that there is a clear and respectful relationship between the chairperson and the most senior member of staff.



Another grey area is that of external representatives on the governing body, for example, from other community or voluntary organisations, from the private sector, or from statutory agencies such as local authorities, government departments, and so on. There is great potential for conflicts of interest in these situations. It should be made clear from the outset whether they are attending meetings as observers or if they are there as governors of your organisation, with all the rights and responsibilities that go hand in hand with that. The members of the governing body should always act in the best interests of the organisation, not in the best interests of any other organisations. If individual members of the governing body have a conflict of interest they should declare it and abstain from the discussion and any vote. If a person is attending as an observer they should maintain their independence and do what is best for the organisation (although the governing body might ask for that person's views on a particular matter).



Directors of a company are legally required to act in the best interests of the company. Also, the Office of the Director of Corporate Enforcement states that anyone who takes part in decision-making about the management of a company may be deemed to be a director (also referred to as a 'shadow director') and, as such, shares in the legal responsibilities of the named directors. For example, in an

organisation that has a management committee consisting of named directors and other members, those other members are making decisions on behalf of the organisation, and may be deemed to be directors. 'Executive directors' are directors who are involved in the day-to-day management of the company. 'Non-executive directors' are not involved in the day-to-day management of the company and are appointed from outside the company. The distinction is not particularly relevant to a company limited by guarantee where most, if not all, directors will be non-executive.

## 2.3 Responsibilities of the governing body as a whole

The responsibilities include:

- Creating a clear, shared vision and maintaining a clear sense of focus on it
- Providing leadership for the organisation
- Making sure the organisation does not stray from its purpose
- Formulating policies and plans to bring about the organisation's objectives
- Ensuring accountability to stakeholders
- Ensuring limited resources such as the finances are managed effectively
- Recruiting and supervising the most senior member of staff (if any)
- Ensuring an ethos of equality in all that the organisation does
- Ensuring that the organisation complies with all relevant policy and legal requirements
- Overseeing the assessment and management of risks to the organisation
- Recruiting and inducting new committee/board members.



The specific responsibilities of company directors include:

- Running the financial affairs of the organisation in a manner that avoids fraudulent or reckless trading, which may lead to the directors being personally liable for company debts and may result in their likely disqualification from holding directorships for an extended period
- Exercising their powers in the best interests of the members and not in a manner that is oppressive to any member of the company, or in disregard of the interests of any member of the company
- Complying with the organisation's memorandum and articles of association
- Complying with the Companies Acts.

### 2.3.1 Annual compliance checklist for board of directors



It is good practice for directors to complete and sign a checklist at their last meeting prior to the organisation's annual general meeting (AGM). If certain duties are not ticked, remedial action must be taken!

- ☐ The company is solvent (that is, it can meet its debts as they fall due).
- ☐ Proper books of accounts are being maintained.
- ☐ Annual end of year accounts have been prepared and signed off.
- ☐ Audit of the end of year accounts has been prepared.
- ☐ Proper general meeting(s) of the company have been held.
- ☐ Minute book contains proper minutes of all meetings held.
- ☐ Register of directors is up-to-date.



Register of members is up-to-date.



Annual return (form B1) has been filed.



All forms dealing with officer change (B10) have been filed.



All other necessary documents have been filed.



Current health and safety statement is in place.

## 2.4 Responsibilities of specific officers



Your constitution, rules or memorandum and articles of association will usually specify whether your governing body comprises specific honorary officers. If your group is small and run solely by volunteers, it is particularly helpful for sharing out the work if every member on the committee is given a specific responsibility, such as chairing meetings, managing the production of the newsletter, recruiting members, fundraising, and so on. Whatever the size of your organisation, having brief written role descriptions for everyone on the governing body is recommended. Examples for the chairperson, her/his deputy, secretary and treasurer are provided below. These are not set in stone and may need to be adapted for your own organisation. Please note that although officers may delegate some of their tasks to others, they remain responsible for ensuring that these tasks are completed.

### 2.4.1 Chairperson

The role of the chairperson at its most basic is to preside over meetings of the organisation, but the role is normally much more varied and takes in a wide range of responsibilities.

The responsibilities of the chairperson are to:

- Chair meetings
- Plan meetings and develop the agenda in conjunction with the secretary and/or the most senior member of staff
- Provide leadership and ensure the effective operation of the governing body
- Ensure that decisions made at meetings are implemented
- Work closely with the organisation's most senior member of staff (if any)
- Undertake the supervision and appraisal of the most senior member of staff (if any)
- Provide a focus for the governing body of the organisation (please note, however, that the chairperson has no more authority than any other committee member unless this is specified in your governing document)
- Act as a spokesperson for the organisation and/or the governing body
- Sign and certify the annual accounts for the organisation.

An effective chairperson is one who:

- Does not dominate meetings
- Listens
- Encourages and facilitates each member of the board to participate
- Is able to direct the meeting in such a way that all views are heard without the meeting becoming bogged down on one item
- Is impartial in letting all views be heard
- Has a good overall knowledge of the organisation.

## 2.4.2 Vice chairperson

The main role of the vice chairperson is to preside over meetings when the chairperson is absent.

The responsibilities of the vice chairperson are to:

- Stand in for the chairperson if s/he is away
- Assist the chairperson with matters between meetings
- Deal with specific tasks or issues as defined by the governing body (for example, chairing meetings or dealing with personnel matters).

The vice chairperson needs all of the skills that make for an effective chairperson as described above. Therefore it is important to pay as much attention to the choice of the vice chairperson as to that of the chairperson. Remember that on occasions, due to illness, family circumstances, or the like, the vice chairperson may be asked to fill the role of chairperson on more than a temporary basis.

## 2.4.3 Secretary

The role of the secretary at its most basic is to keep accurate minutes of meetings, although its responsibilities are frequently wider and more substantial.

The responsibilities of the secretary are to:

- Help the chairperson to plan meetings
- Organise the logistics of meetings
- Take and distribute minutes
- Deal with committee correspondence.

In an organisation with no paid staff the role of secretary is critical, and you need someone who is efficient, pays attention to detail and has good administrative skills. In an organisation with paid staff, this role is often taken on by a member of staff. Keeping accurate minutes is a learned skill; minute takers do not need to record every word said, yet they need to record more than just the

decisions made. Please note that the role and responsibilities of the company secretary (for companies – see section 2.5) is sometimes filled by the same person as the secretary, but often the roles are separate.

#### 2.4.4 Treasurer

The main role of the treasurer is to maintain a financial overview of the organisation.

The responsibilities of the treasurer are to:

- Look after the finances
- Oversee, prepare, present and approve budgets, accounts and financial statements
- Prepare and present understandable financial reports to the committee
- Ensure that the financial resources of the organisation meet its needs
- Ensure that appropriate accounting procedures and controls are in place
- Liaise with relevant people about financial matters
- Advise on the financial implications of any new projects
- Prepare the annual accounts before being passed to the independent auditor
- Present the annual accounts at the AGM.

For a treasurer, you need a person who is good at figures, understands accounts, and can explain accounts in layperson's terms. For organisations with no paid staff you will also need someone who has the required time to give to the role, as it is likely to entail a fair degree of work between meetings.

## 2.5 Responsibilities of the company secretary



The only legally required position for companies limited by guarantee is that of company secretary. Some organisations choose to appoint a member of staff or an external person as their company secretary, whereas others choose to have one of the directors take on the role, which consists of:

- Making sure that the full name of the organisation is displayed outside the registered office, and that a change in the registered office is notified to the Companies Registration Office (CRO) within 14 days
- Seeing to it that the certificate of incorporation is displayed
- Ensuring that the company name, registered number, place of registration, registered office and directors' names (and nationality if not Irish) appear on the organisation's letterhead
- Keeping the company's registers (that is, lists of all members and directors) up to date and at the registered office (if not there, you must inform the CRO)
- Notifying the CRO of any change in director, company secretary or home address within 14 days
- Ensuring that all legal agreements and contracts are properly discussed, agreed by directors and kept in a safe place
- Ensuring that the annual general meeting (AGM) is held within 18 months of becoming a company and at least every 15 months from then on provided that an AGM is held in each calendar year
- Calling general meetings (AGMs and extraordinary general meetings, EGMs) at the request of the directors and/or members, according to the rules in the articles of association
- Ensuring that due notice in accordance with your governing document (and, where relevant, company law requirements for

general meetings) is given and that they are run according to the articles of association

- Ensuring an independent auditor is appointed at the AGM
- Ensuring that the accounts are properly prepared and audited (in conjunction with the treasurer)
- Keeping the minutes book (AGM and EGM minutes and the minutes of the board of directors and any subcommittees); general meeting minutes should be open for inspection by members
- Sending in the annual return to the CRO by the annual return date applicable to your company
- Notifying the CRO within 15 days of passing special resolutions (for example, changes to the memorandum and articles of association or a change to the organisation's name)
- Keeping copies of all annual returns and accounts
- Complying with any other duties as imposed by the Companies Acts 1963 – 2009.

The company secretary plays a very important role within the company, not least because s/he carries legal responsibilities under company legislation. An effective company secretary is one who has good administrative skills and an eye for detail. Ensuring that the necessary CRO returns are made (in full) needs a highly organised person who ensures that deadlines are met.



## 2.6 Meetings



The governing body conducts the majority of its work through meetings.

It is important that these are run as effectively and efficiently as possible. They must be held on a regular basis, ordinarily monthly, but certainly not less frequently than quarterly. Some governance issues will need to be addressed at every meeting, others only occur at intervals. It is good practice to develop a calendar of 'business' that crops up at certain times throughout the year (for example: policy reviews, approving annual accounts or appointing the company secretary after the AGM) and to plan meetings accordingly.



Before the meeting, the chairperson should plan a clear and realistic

agenda with the secretary and/or the most senior member of staff who should then draw up the agenda, indicating the purpose of each item (for information, for discussion, for ratification, etc) and circulating it in sufficient time, together with any relevant papers, to members of the governing body. The secretary, or most senior member of staff, should also ensure the venue, equipment and so on are arranged. It is important that the agenda is used as the basis for discussions during the meeting. The chairperson must ensure that everyone is given a chance to contribute, that discussions are kept on track, that decisions are made and recorded, and that meetings finish on time. It may be helpful to draw up a code of conduct for meetings. As soon as possible after the meeting, the secretary, or most senior staff member, should write up the minutes, get the draft minutes approved by the chairperson and distribute them. Action points should be clearly highlighted so that members are reminded to complete their agreed tasks. All minutes should be properly filed, and you should make sure you have a system for dealing with minutes relating to confidential matters.



According to the Office of the Director of Corporate

Enforcement, all minutes should contain, at a minimum, the information listed below.

Also make sure you write down the name of the organisation and the name of the meeting – for example, *Finance Subcommittee Meeting* – at the top of the minutes:

- Date (including year), time and location of meeting
- Names of directors and company secretary present at the meeting (have you a quorum for the whole of the meeting?)
- Names of persons who have given their apologies for non-attendance
- Name of person chairing meeting (usually the chairperson)
- Names of other persons in attendance and in what capacity they are attending (for example, a visitor or staff member presenting on their work)
- Approval of minutes from the previous meeting, including any corrections requested
- Signing of these minutes by the chairperson, confirming that the minutes are an accurate reflection of the proceedings at that meeting
- Title and author of any papers tabled
- Details of any conflicts of interest declared and what action was taken as a result (such as not taking part in discussions, abstaining from voting, or absenting themselves from part of the meeting)
- Although it is acceptable to summarise discussions, the overall contributions to discussions made by individuals should be noted, especially if there is disagreement about certain matters
- Proposals put to the vote and the names of persons proposing and seconding them
- Results of any votes taken (make sure you know who is entitled to vote and what majority, if any, is needed to carry decisions)

- Details of any delegations of authority should be noted (for example, the board authorising a member of staff to sign cheques)
- The agenda for the meeting should be attached to the minutes (each item numbered for easy reference).

## 2.7 New members of the governing body

### 2.7.1 Recruitment and selection



Governing bodies need to devote some time to thinking about their own sustainability and be ready, willing and able at all times to involve new people as well as let go people who have done their time. Occasionally people resign from their role, and sometimes new skills or a just a new input of energy are needed. In any case, most organisations operate a rotation system (check your governing document). It would be considered good practice to have a rotation system for members of the governing body, and it is normal practice for members to serve for a period of one to three years, sometimes with the possibility of reappointment for a second term. It is important that there is some continuity, so a process of staggered replacement is recommended.



For membership-based organisations, new members of the governing body are normally drawn from the organisation's membership, although you should look beyond the membership if specifically required skills are not easily found amongst members. Other organisations draw members from a wider audience. There are a variety of methods for identifying potential new recruits: nomination, election, invitation, co-option, headhunting, appointment by an external

body like a funding agency, etc. Consider how many other governing bodies they already serve on and whether they can therefore devote sufficient time and be sufficiently impartial to serve with your organisation as well. Potential recruits need to know what would be expected of them. Once someone has indicated that they are willing to take part, they may be co-opted by the governing body and may have to stand for election at the next AGM.

### 2.7.2 Induction



It is vital that some effort be devoted to a proper induction (sometimes called orientation) of new members, including making them feel warmly welcome. They should be given a tour of the premises, introduced to all relevant people and provided with the following information:

- Copy of governing document
- Brief history
- Current annual report, or similar
- Funding and finance information
- Other publicity materials
- Policies
- Development and work plans
- Organisational structure chart
- Information on staff and volunteers
- Terms of reference for committees, subcommittees and working groups
- Code of conduct
- Details, including contact details, of other board members
- Meeting dates
- Minutes of last few meetings.



In addition it is advisable for the chairperson or another designated member of the governing body to get the new member's feedback on her/his initial couple of meetings. This ensures that if the new member is finding some difficulty in participating fully that such difficulty can be addressed from the outset, before it becomes a reason for the person to leave.

### 2.7.3 Ongoing training



You should audit the skills of the members of the governing body on an ongoing basis. There are certain things each member should be able to do in order to take sound governance decisions, for example, being able to read and understand basic financial statements. If necessary, the organisation should ensure training is made available. In addition, the organisation needs procedures for taking independent financial and legal advice if these skills are not present within the current governing body.

## 2.8 The Governance Code

A code of governance for community and voluntary organisations, that has been developed by the sector for the sector, was launched in 2012. It identifies three types of organisations on the basis of their complexity and outlines the governance requirements for each. All organisations are strongly encouraged to familiarise themselves with the code, comply with its requirements (or explain why they are unable to do so at present), and publicise the fact that they adhere to the code's principles.

## 2.8 Checklist

Questions for the organisation	Yes	In progress	No
Do you understand what is meant by the term 'governance' as it relates to your organisation?			
Are you absolutely clear what group of people makes up the governing body of your organisation?			
Do you have written terms of reference for each committee, subcommittee and working group in your organisation?			
If you have staff, is there a clear and respectful relationship between the chairperson and the most senior staff member?			
Has the role of external representatives on your governing body been discussed and agreed openly?			
Are all members of the governing body aware of their responsibilities?			
Do officers have written role descriptions?			
If you are a company, do you comply with all the necessary legal requirements?			
Are your meetings effective?			
Are proper minutes kept?			
Do you have the right number of people on your governing body?			
Have you done an audit of skills of your governing body?			
Do you have proper systems in place for the recruitment, induction and ongoing training as well as rotation off or retirement of people on your governing body?			
Have you adopted the Governance Code?			

## 2.9 Signposts

**Please contact The Wheel  
for further information:**

**The Wheel**

48 Fleet Street

Dublin 2

Tel: 01 – 454 8727

[www.wheel.ie](http://www.wheel.ie)

[info@wheel.ie](mailto:info@wheel.ie)

- *Getting to Grips with Governance, 2008*

### Additional signposts:

#### **Boardmatch Ireland**

35 Exchequer Street

Dublin 2

Tel: 01 – 671 5005

[www.boardmatch.ie](http://www.boardmatch.ie)

#### **Carmichael Centre for Voluntary Groups**

Camichael House

North Brunswick Street, Dublin 7

Tel: 01 – 873 5702

[www.carmichaelcentre.ie](http://www.carmichaelcentre.ie)

- *A Handbook for the Management Committees/Boards of Directors of Small and Medium Community and Voluntary Organisations, 2006*
- *Roles and Responsibilities of the Board, 2006*
- *Running Effective Meetings, 2006*

#### **Companies Registration Office**

Parnell House

14 Parnell Square, Dublin 1

Tel: 01 – 804 5200 or

Locall: 1890 – 220 226

[www.cro.ie](http://www.cro.ie)

#### **National Council for Voluntary Organisations England**

[www.ncvo-vol.org.uk](http://www.ncvo-vol.org.uk)

- *Many useful resources, [www.ncvo-vol.org.uk/governanceandleadership](http://www.ncvo-vol.org.uk/governanceandleadership)*

#### **Office of the Director of Corporate Enforcement**

16 Parnell Square, Dublin 1

Tel: 01 – 858 5800 or

Locall: 1890 – 315 015

[www.odce.ie](http://www.odce.ie)

#### **Office of the Revenue Commissioners**

Charities Section, Government Offices

Nenagh, Co. Tipperary


Tel: 067 – 44300 or

Locall: 1890 – 666 333

[www.revenue.ie](http://www.revenue.ie)

#### **The Governance Code**

[www.governancecode.ie](http://www.governancecode.ie)



## CHAPTER 3: DIRECTION

### developing your strategies, plans and policies

In this chapter, the importance of having a clear direction is stressed. You will find out more about vision, mission and value statements and policy development, implementation and review.

You will also learn about the stages of the planning process and how to undertake meaningful monitoring and evaluation for your organisation.

### 3.1 The need for direction



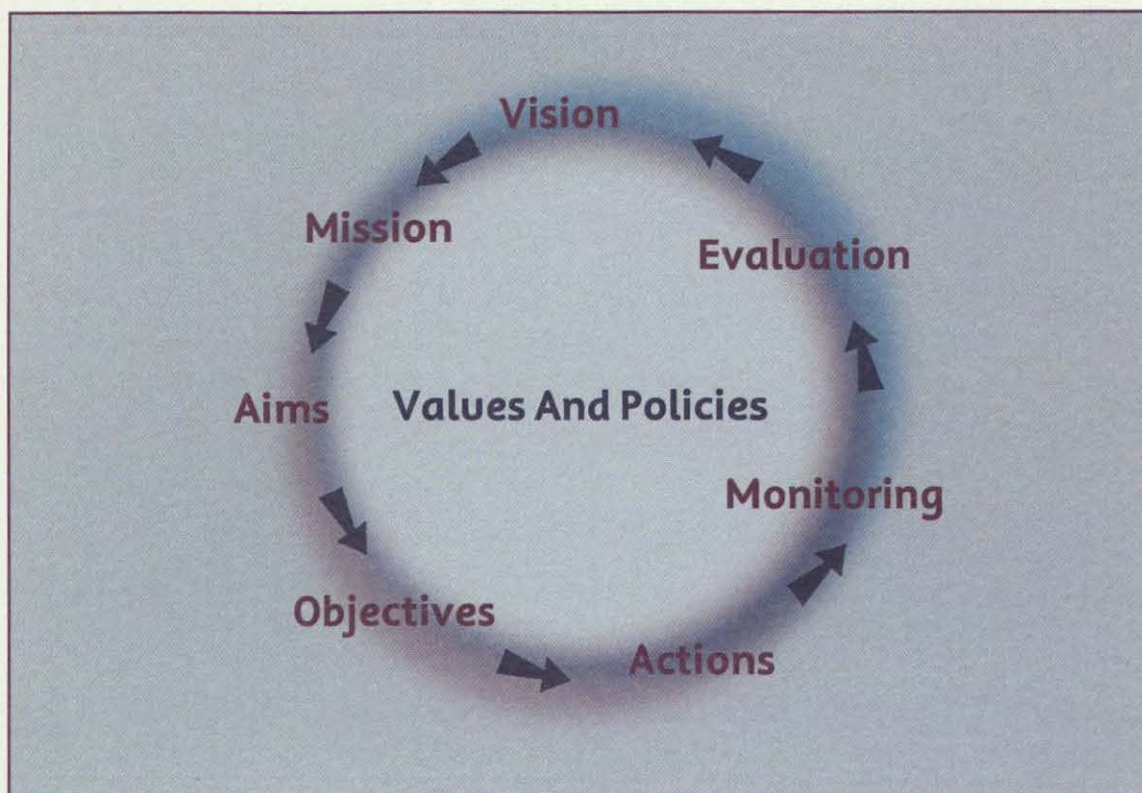
Without direction, you will probably get lost or, at the very least, go round in circles. Given the need for good governance, proper accountability and the best use of limited resources, it is essential that you have direction. This means having a clear idea about:

- Your **vision**; the ideal future that you envisage
- Your **mission**; why your organisation exists (to ultimately achieve your vision)
- Your broad **aims** (the specific changes or benefits you are aiming for)
- More detailed **objectives** (the activities you will use to meet aims)
- Your **strategies and plans**, with targets, for achieving your goals, in the long, medium and short term

- The **value system** that underpins your work
- Your **policies**, which are an expression of these values
- **Monitoring and evaluating** whether your organisation is having the impact that it desires.



Unless you are working within a well thought out framework, and unless you plan properly, you will go from crisis to crisis. This is a particularly important issue in the fast-changing environment in which all community and voluntary groups now operate. Make sure that your organisation is open to change, deals positively with new challenges and embraces new opportunities in an organised fashion.



## 3.2 Defining what you are about: vision and mission



Although most organisations will have some sort of governing document, the wording and language used in constitutions, memoranda of association and similar documents are frequently insufficient, too broad or unsuitable for wider use. Developing a short, clear vision statement and/or mission statement that summarises the long-term change that you want to make, is therefore very useful. When doing so, it is vital that all relevant people are involved. During this process it frequently becomes evident that different people have very different ideas about why the organisation was initially set up and what it is ultimately trying to achieve. Careful discussions must take place, and the final wording must fully reflect reality. You can assist the process by:

- clarifying what drives the organisation
- identifying what is unique about the organisation
- expressing what results the organisation is trying to achieve (as opposed to what activities it undertakes for achieving those results – that comes later).



## 3.3 Articulating your values



Every organisation has an ethos, a belief system or a set of principles; these create an organisational culture that affects all that the organisation does. It is a good idea to agree and articulate the value system which underpins your way of working, so that all people, both within and outside your organisation, are clear how you operate. For example, you might include references to:

- upholding the dignity of service users
- empowering people in your local community
- upholding particular religious views
- not being affiliated to any political party
- being an environmentally responsible organisation
- your openness to building partnerships with other bodies.

An outline of your ethos can be incorporated into your mission statement, or you can produce a separate values statement.

## 3.4 Strategic planning

### 3.4.1 Reasons for planning

Planning is vital, yet people find all sorts of reasons for not doing it! If there are new demands on organisations (for example, pressure on resources, awareness of unmet needs, political or legislative changes) many try to respond immediately. This can lead to wasted energies, haphazard developments and conflict. Even when plans are made, they are sometimes not implemented, or the impact of the plans is not evaluated.

Remember that planning is a means to an end and not an end in itself.

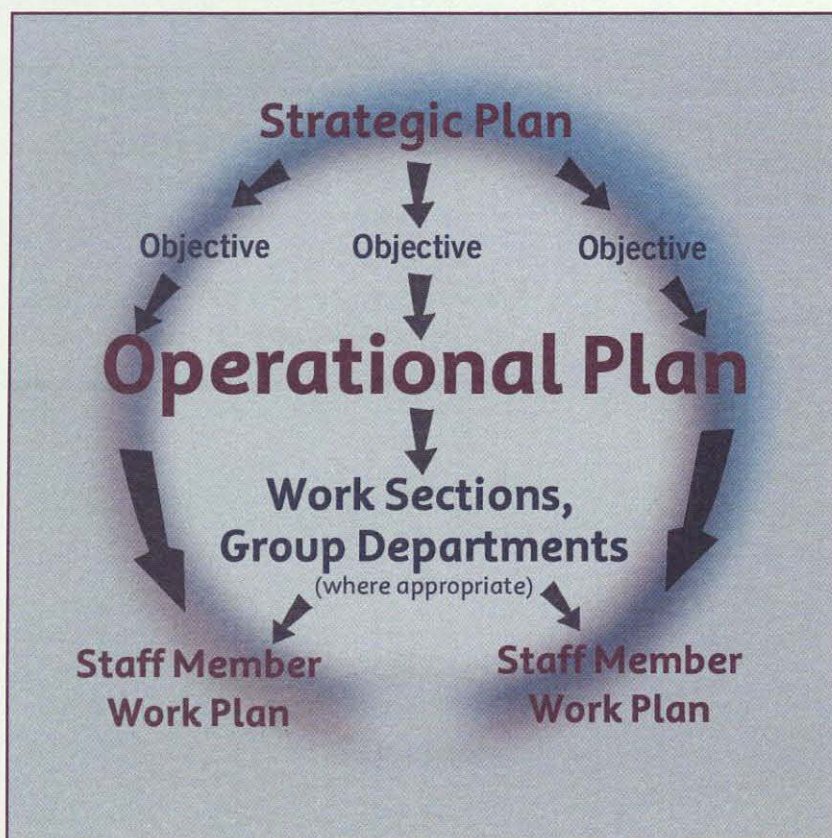
There are numerous reasons why you might create a plan, both internal and external:

**Internal reasons:**

- Need to stop drifting
- Need to know when to say 'no' to ideas
- Need to create unity within the organisation
- Need for a rethink.

**External reasons:**

- Need to look professional
- Being demanded by a current funder
- As a tool for raising funds from other potential funders
- Need to make a case for an idea that you want to turn into a reality.



There are all types of plans going by different names, including strategic plans, development plans, business plans, action plans, project plans, day-to-day plans and contingency plans. Time scales range from long-term (5 years or more) to short-term (right down to daily plans) and everything else in between. Although the products may differ, the principles remain broadly similar at whatever level you plan. The main focus here is on strategic planning, for if you get this right, it should be possible to undertake other types of planning without too much difficulty.

### 3.4.2 The strategic planning process



The process is as important as the product and involves these broad stages:

Assessing context	Where have we come from?
Developing/confirming vision/mission	What are we about?
Information gathering/analysis	Where are we now?
Identifying key assumptions/choices	What are our options?
Developing a realistic strategy	Where do we want to be?
Ensuring feasibility	What do we need to get there?
Providing evidence of competence	How can we persuade others?
Implementation	How can put the plan into action?
Monitoring and evaluation	How are we doing?



It is vital that all those who will be affected by the plan (staff, volunteers, members, users, partners, etc) have some sort of input into its development process. Do not presume that everybody has a basic understanding of what the organisation has been/is about, and do not assume that there will be agreement on where the organisation should head in the future – this is very unlikely to be the case. The planning process will depend very much on the size of the organisation and is likely to be simpler and shorter for smaller and newer groups than for large, established and complex organisations. You can do all of the work internally, or you engage an external facilitator for part of the process. Although quite a lot of work may be involved that will obviously take time, once you begin, try to maintain momentum and finish the process relatively quickly.



A very useful planning tool is the **SWOT** analysis in which people have to identify and map the organisation's **Strengths** and **Weaknesses** (internal factors) and what **Opportunities** and **Threats** it faces (external factors). Predicting future trends is difficult – the following headings may assist you:

- Changes in available resources
- Changes in the way you work
- Changes in demands and needs
- Political and economic changes
- 'Market' changes (cooperation or competition with other organisations, etc).



It is crucial that you set solid aims, from which follow operational objectives that are **SMART** (**S**pecific, **M**easurable, **A**ttainable, **R**ealistic and **T**ime-bound). This is where your activities come in, be they advocacy/campaigning, provision of services or facilities, production of materials, etc. You need to make clear the full costs, organisational implications and potential risks (with contingencies) of your proposals and show that your organisation has the capacity to deliver the plan.

### 3.4.3 Implementation



Once finalised, the plan must be implemented. You do this by linking the strategic plan to the organisation's working operational plan and to the work plans of teams and individuals. The plan should not gather dust on a shelf, but be a living document. You can do this by:

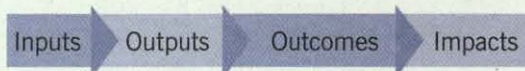
- Ensuring that the plan is discussed regularly at meetings (you could consider making it a standing agenda item)
- Ensuring that all staff and volunteers use the plan as the basis for their own work plans
- Making sure new people (committee members, staff, etc) receive a copy of the plan
- Using the plan to focus and prioritise when good ideas or urgent opportunities arise, as they inevitably will
- Highlighting successes, both internally and externally, when milestones in the plan have been reached
- Setting aside annual review sessions for the plan
- Ensuring policies and procedures exist which support the implementation of the plan.

### 3.4.4 Monitoring and evaluation



You must check periodically whether you are indeed meeting your goals.

You should consider this process in terms of a continuum:



- The **inputs** are the resources that you need to implement your plans.
- The **outputs** are the activities that you undertake and (related to your objectives).
- The **outcomes** are the changes that take place as a result of your work (and related to your aims).
- The **impacts** are the broader longer-term changes your organisation is having related to your mission and vision.



For each of the outputs, outcomes and impacts, you can develop key performance indicators to measure how you are progressing towards achieving your objectives. These are criteria or clues on which you can base your judgements about the progress or success of your plans. Try to limit them to a manageable number. You must then decide what relevant monitoring data needs to be collected. This can include amounts of funding raised and number of web pages viewed, personal accounts from service users, or information about changes to government policy; you will need to specify them for your own particular situation. Once you have collected your information, this needs to be analysed and reviewed either by the organisation itself (you may wish to set up a monitoring and evaluation subcommittee for this purpose), or externally (for example, a funder may wish to inspect how you are operating). Learn from the results of evaluation and make available the results to your stakeholders.

You may wish to consider signing up to a quality mark for various aspects of your work.

## 3.5 Policies and procedures



Policies provide a framework within which an organisation makes choices about how it operates and so can either help or hinder the implementation of the strategic plan. Organisations may have policies on any number of topics, for example:

- Employment
- Finance
- Premises
- Confidentiality
- Diversity
- Risk management
- Service delivery
- Training
- Volunteer involvement.

Clear policies make planning, prioritising and decision-making far easier for everyone in the organisation.



When considering policy development within your organisation, you must first consider who decides policy. The quick response may be that the governing body is solely responsible for policy. However, this can be very restrictive and may result in decisions that are excluding and out of touch. As a result, organisations generally take a wider view of policy development and use approaches such as:

- Delegating policy on particular matters to, for example, senior staff
- Involving staff, volunteers, members and users in forums, subcommittees or working groups
- Holding policy conferences
- External consultation.



Deciding policy is only the beginning. Once your overall policies are in place, you must develop procedures that follow on from these. Policies are in the realm of governance and management; procedures are about management and operations. The following example illustrates the difference:

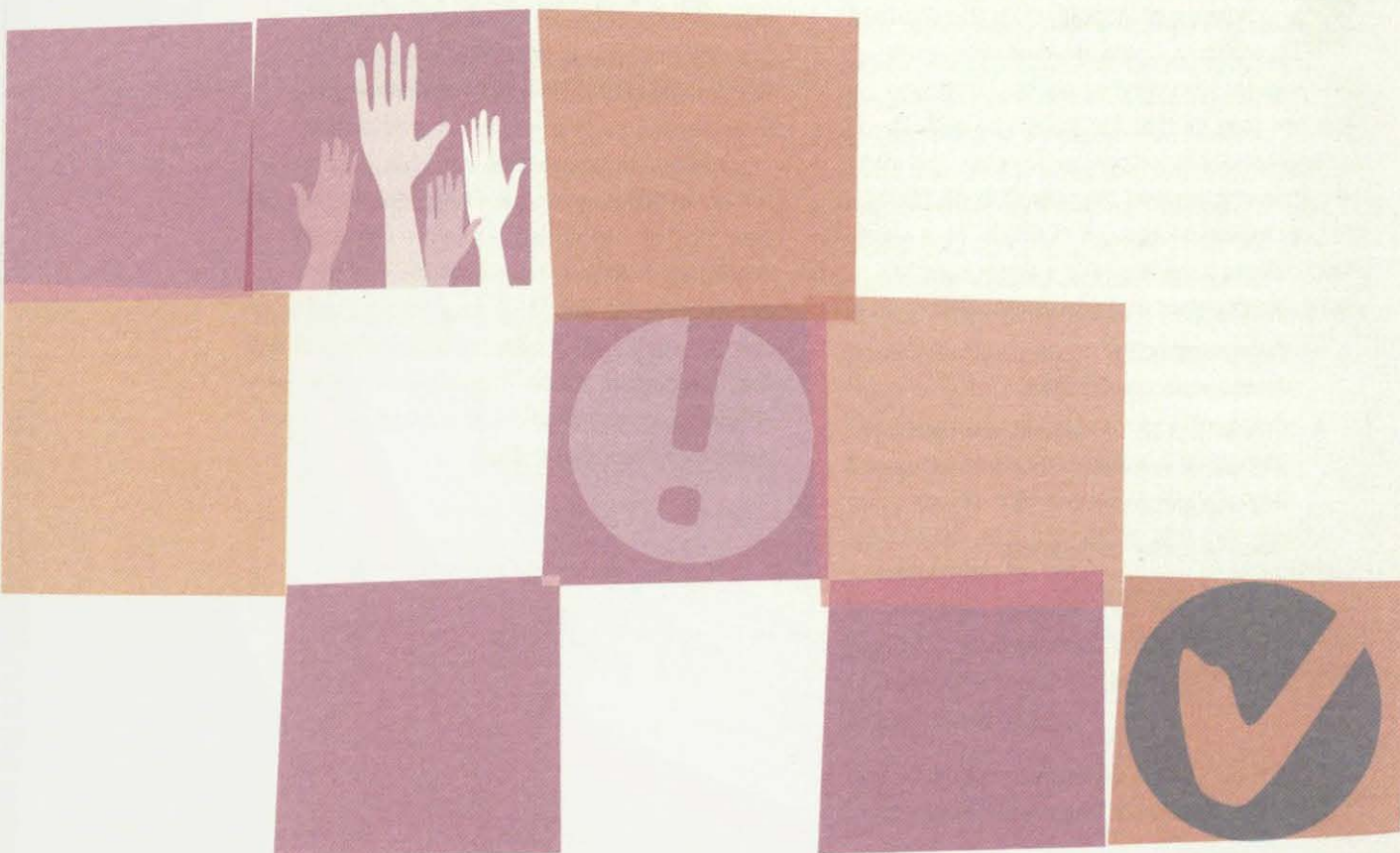
- In your volunteer **policy** you may state that volunteers are equal partners with paid staff
- In terms of your **procedures** you may ensure that volunteers attend staff meetings, wear name badges like staff, are consulted on decisions that affect the organisation, etc.

The next step is implementation of your policies and procedures which becomes part of the day-to-day running of your organisation. The foundation for effective implementation is communication of the policy to those who will be responsible for implementing it or affected by it. This requires careful attention so that differences of interpretation and possible misunderstandings are avoided. It is good practice to devote a dedicated period of time in the induction of new staff or volunteers to explaining the organisation's policies and procedures, as opposed to just giving them the policy handbook. Some organisations require their staff and volunteers to sign a statement confirming that they have read the policies and procedures, that they have had a chance to discuss them with a relevant supervisor and that they understand them. This practice can be very helpful in an organisation as a means of avoiding misunderstandings.



Policies will require monitoring and evaluation. This can be achieved by:

- Making it clear to all those involved in implementation or affected by the policy that they can give their feedback and how this can be done
- Inviting feedback from individuals/groups, particularly those consulted when the policy was being formulated
- Where appropriate, asking a working group/subcommittee to draw up a report on the effectiveness of the policy
- Setting clear timelines for monitoring and evaluation.



### 3.6 Checklist

Questions for the organisation	Yes	In progress	No
Do you involve all stakeholders in the development, implementation and review of your direction?			
Do you have a clear statement of vision and/or mission and/or values?			
Do you have a written long-term organisational plan?			
Do you have written medium/short-term plans?			
Do you have written individual work plans?			
Do you monitor progress against individual work plans?			
Do your individual work plans link back to the strategic plan?			
Do you use your plans as the basis for all that you do?			
Have you identified key performance indicators for your work?			
Are your policies and plans revisited regularly?			
Do you collect sufficient monitoring information?			
Do you use monitoring information to evaluate your policies and plans?			
Do you let others know the results of your evaluations?			

## 3.7 Signposts

Please contact The Wheel  
for further information:

**The Wheel**

48 Fleet Street,  
Dublin 2

Tel: 01 – 454 8727

[www.wheel.ie](http://www.wheel.ie)

[info@wheel.ie](mailto:info@wheel.ie)

- *Knowing and Showing your Outcomes and Impacts, 2012*

## Additional signposts:

**Charities Evaluation Services**

England

[www.ces-vol.org.uk](http://www.ces-vol.org.uk)

- *Many resources on planning, monitoring, evaluation, outcomes and quality, including PQASSO (Practical Quality Assurance System for Small Organisations)*

**Directory of Social Change**

England

[www.dsc.org.uk](http://www.dsc.org.uk)

- *Lawrie, Alan, The Complete Guide to Business and Strategic Planning for Voluntary Organisations, 2007*

**National Council for Voluntary Organisations**

England

[www.ncvo-vol.org.uk/advice-support](http://www.ncvo-vol.org.uk/advice-support)

- *Many resources including sections on understanding needs, strategy, impact, planning for the future, etc*

## CHAPTER 4: ACCOUNTABILITY

### managing your communications and relationships with others

In this chapter, 'accountability' will be defined and its importance highlighted. You will discover to whom your organisation needs to be accountable and the best ways of doing so. You will look at how you communicate with your stakeholders and how you can most effectively manage your relationship with them.

Particular attention will be paid to the needs of members, those who use your services and funders. Other partners and the wider society will also be considered.

## 4.1 The importance of accountability

Being accountable means being answerable for your actions to those people who have given you authority or responsibility. Accountability is essential; it is the process of ensuring that individuals and organisations do what they are supposed to do. If an organisation is accountable, it behaves in a proper fashion: it makes decisions, allocates responsibilities, takes actions and reports back to the people who have a legitimate interest in what it does – the stakeholders. Accountability is about being honest, fair, respectful, transparent and open to public scrutiny and inspection. It is about being able to stand over what you do, about the effective stewardship of funds and about ensuring quality. It is about having a 'no secrets' culture; making public as much of your organisational information as possible, but maintaining confidentiality when required.



The regulatory environment in which community and voluntary organisations operate is going to become increasingly demanding over the coming years, so it is important that organisations are proactive in terms of accountability now.

## 4.2 Stakeholders

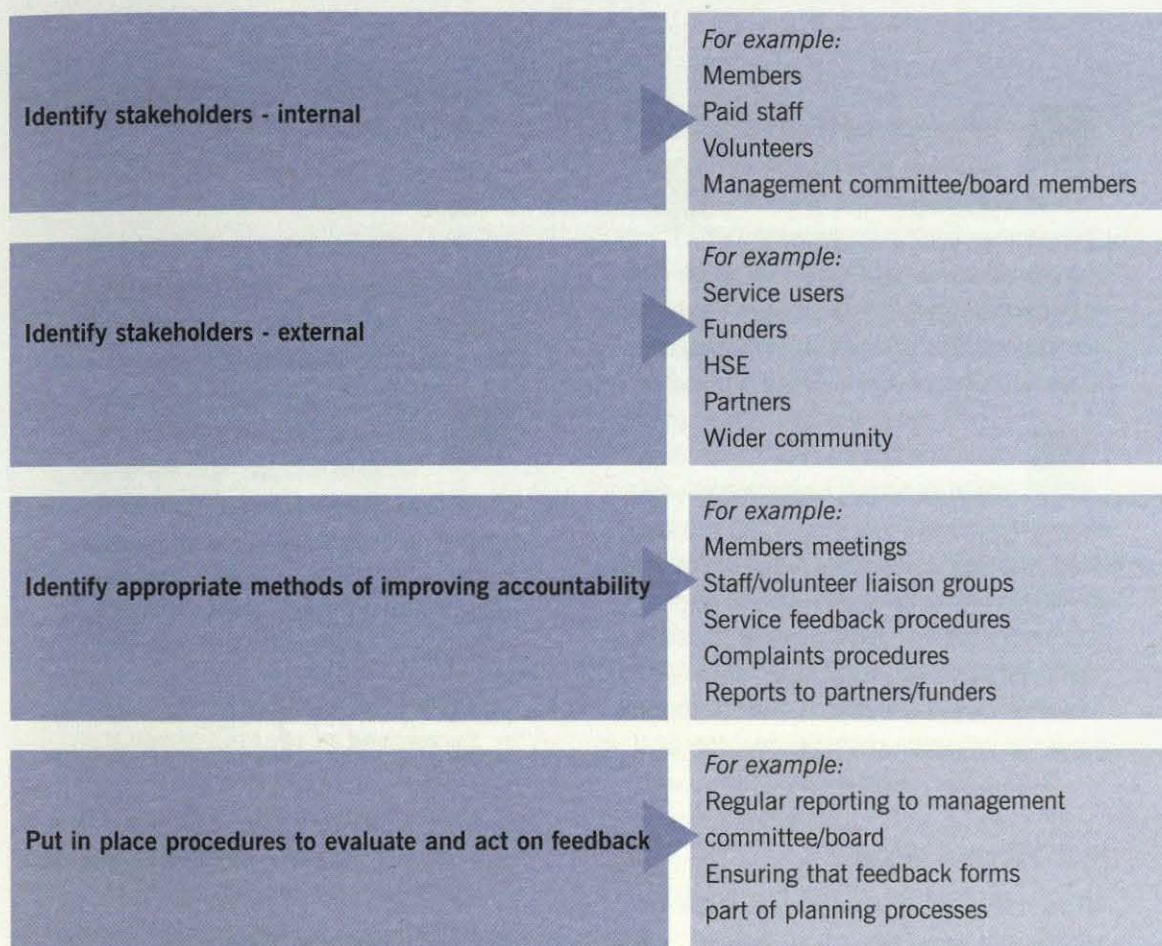
Everyone in an organisation is accountable for working towards the good of that organisation and should be answerable to someone else in the organisation. For example, in a line management system a volunteer may be answerable to a volunteer coordinator, who in turn is answerable to a manager or to the chair of a human resources subcommittee, who in turn is answerable to the chair of the management committee. The management committee is responsible to a whole host of internal and external stakeholders.



Have you defined who all your stakeholders are? Your list is likely to include:

- Service users
- Members
- Volunteers, including voluntary committee/board members
- Funders
- Partners
- Paid staff
- Interns and trainees
- Policy makers (for example, local government, TDs, Health Service Executive (HSE))
- Regulators (for example, Director of Corporate Enforcement, Data Protection Commissioner, and in time, the Charities Regulator)
- The local community in which you operate and wider society.

Some of these groups – namely regulators, policy makers and people working directly for you – are dealt with more fully in other sections of this guide; the remainder is considered here, including means of communicating effectively with all your stakeholders.



You should take into account that some stakeholders (especially regulators and funders) may require certain pre-defined forms of communication regarding accountability. These types of communications, which are primarily to do with fulfilling obligations under various regulations, will need to be planned for in advance as they can take more time than might initially be anticipated.



You will need to make yourself aware of the types of reporting and communications that you are required to do under the various regulations and laws that apply to your organisation.

## 4.3 Effective communication methods

### 4.3.1 Your communications strategy



Do you have a strategy for regular and effective communication with your stakeholders? If not, consider drawing one up. Think carefully about the image you wish to portray (in marketing terms, consider your 'brand' and 'market position'). Your image need not be overly glossy; in fact spending a disproportionate amount of money on publicity materials can be off-putting for those who fund you and may misfire. Your image does, however, need to be professional, and you can begin to set the right tone by having proper stationery and using a standard logo on all materials.



The reputation of your organisation is one of your biggest assets and needs to be safeguarded. This should be an important part of your overall risk management strategy (see section 5.6). One of the ways of reducing the risk of damage to your organisation's reputation is to have an external communications policy in place.



You must communicate with your stakeholders in a meaningful way. As your stakeholders are so varied, you may need to gather and present similar information in different formats. There are a number of communication methods, however, that are useful across the board. If any of these seem daunting, consider finding a suitably qualified person to help you – either a volunteer or, if you can afford it, a consultant.

#### 4.3.2 Annual report

An annual report is an underused publicity vehicle. If it is produced at all, frequently it is dull, providing only the minimum reporting and financial information required by the Companies Registration Office (if your organisation is a company). For organisations that are not companies, reports on finances and progress, as would normally appear in an annual report, are often only produced for donors at intervals specified by various funding programmes.

Annual reports can have multiple purposes:

- Informing members, service users and funders about what you have done
- Acknowledging contributions of money, time, skills and in-kind resources
- Impressing current funders so that they will continue to fund you
- Impressing potential funders in the hope that they will begin to fund you
- As a promotional document to attract more members, service users, volunteers, staff and supporters
- Informing other organisations and agencies about your work
- Informing the general public about your work.

For all organisations, producing a report on an annual basis that communicates the key information as noted below is good practice.



There is no standard format for an annual report, but disclosure of the following information is recommended, possibly in combination with photographs, drawings, case studies, graphs, charts, scaled down images of publicity materials, and so on:

- **Introduction** by the chairperson
- **Background** on what the organisation is set up to do and how it does this
- **Annual review:** a clear overview of the work of the organisation over the past year (what was planned, what was achieved and what is next?)
- **Organisational structure:** if relevant, include information about branches and the number of members
- **Governance:** committee and subcommittee structure and individuals' names and an acknowledgement by the governing body of its responsibilities for establishing, implementing and reviewing internal control systems
- **Staff:** individuals' names, job titles and whether they work full-time or part-time
- **Volunteers:** individuals' names and roles and/or total volunteer input
- **Remuneration** of directors (if any), the CEO and other senior staff \*

\*

There is a balance to be struck between the rights of funders and the public to know how money is spent within organisations and the rights of individuals to privacy about their salary. This may need to be handled sensitively within your organisation if it is not a practice that is currently implemented.

- **Acknowledgements** to funders, including donations in kind
- **Contact details** and other official details, for example CHY and company numbers
- **Financial report** and annual accounts to include:
  - Major support cost items
  - Expense categories
  - Unusual movements/transfers
  - Nature and purpose of fund
  - Assets and liabilities of fund
  - Investment powers.

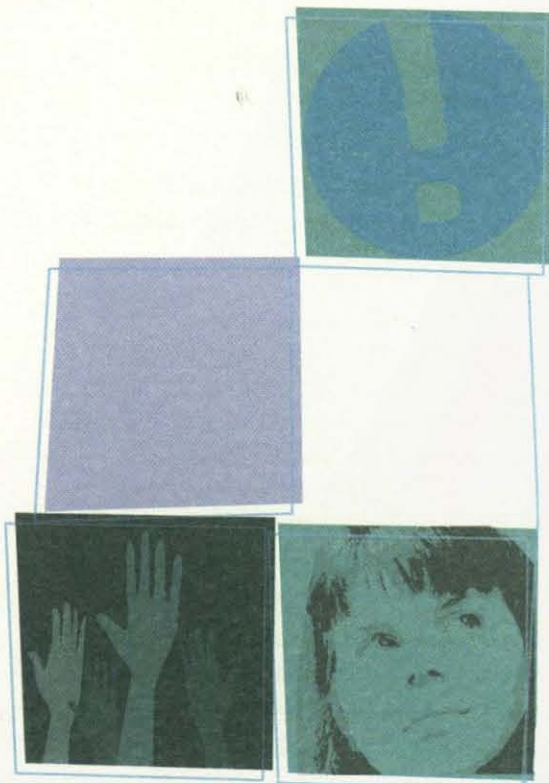


You may wish to refer to the guidelines that are in place in the UK related to how to draw up annual reports for charitable organisations. The guidelines are commonly referred to as SORP (Statement of Recommended Practice). They provide a framework that enables charities to explain what they aim to do, how they go about it and what they achieve pulling together narrative and financial reporting in a coherent package focused on the activities undertaken. These guidelines do not apply in Ireland, but many groups choose to adhere to some or all of the practices outlined in them.

### 4.3.3 Newsletter



Newsletters are published more frequently than the annual report and are therefore a good way of communicating on a more regular basis about current issues. They also tend to be more informal than annual reports. Even if the main intended audience of your newsletter is your membership or the people that use your service, you should try to distribute it more widely if possible. Newsletters provide a good insight into the kinds of issues that are relevant to your organisation and as such are also of interest to policy makers, funders, other organisations in the community and voluntary sector, and so on. Newsletters may also be sent electronically either as attachments to emails, or preferably, as simple e-bulletins.



#### 4.3.4 Website and social media



It is now the norm for organisations to have some sort of presence on the internet, and this trend will both continue and strengthen. Websites can range from a few simple pages to complex interactive sites. Even if you do not have your own website, details of your organisation should be listed on other relevant sites. As websites can be updated relatively easily, they provide an ideal opportunity for publicising your organisation and all that you do. The type of information you can put on a website is almost limitless; the following is just a selection:

- Your contact details
- Information about your structure, plans, services, membership, etc
- News
- Photos and biographies of your staff and direct links to email addresses
- Publications, including free downloads and/or option to purchase on-line
- Your policies, internal and external
- Submissions you have made to government, etc
- Polls and surveys
- If applicable, information about how to become a member and do so on-line
- Details of past and upcoming events.

Increasingly, organisations are making use of social media, which when used correctly, is a powerful communications tool. Examples include Facebook, Twitter, LinkedIn and Pinterest, although there are many others. Start your social media presence slowly and gradually build it up.

Remember that whatever you use, you will have to plan for who will update information and how often, and how you will monitor the effectiveness of your on-line activities.

#### 4.3.5 Working with the media



The media has an important role to play in the life of community and voluntary organisations. It can enhance organisations' profiles, enabling them to raise awareness of their activities, to reach out to potential new supporters and to influence policy debate. It also needs to be considered as an important part of crisis management in the unlikely event of the organisation receiving unfavourable publicity. 'The media' is a broad term that includes local, national, international press, radio and television, both generalist and specialist.

Working effectively with the media is time consuming. The first step is developing a policy on what kind of relationship your organisation wishes to have with which parts of the media. The next step is ensuring that you can do the following:

- Build and maintain relationships with sympathetic journalists and broadcasters over time
- Appoint a spokesperson(s) for the organisation and make sure that they are appropriately trained to do the job
- Develop the ability to distil all that you do into a very short but clear and powerful message
- Plan for media involvement, and appoint someone responsible, from the very start of planning any project, including events and conferences.

Working with the media is not about sending hundreds of press releases when you have an upcoming event and hoping for the best! If you do not have experience of dealing with the media or feel that you are getting nowhere, you should seek training.

## 4.4 Membership based organisations



By choosing to become members, individuals and groups are showing considerable commitment to your organisation. They may pay a membership fee, they are willing to provide you with their personal details and they are demonstrating their sympathies to your cause. If you are fortunate, they may even provide you with further resources in terms of time or money and advocate for you. In return, membership based organisations need to give careful consideration to managing their relationship with their members and to take seriously their responsibility to be accountable to them. Communication with members can take many forms: the annual report, newsletter and website (ideally with a members' only section) described above, but also a variety of members' meetings (for example, regional workshops to seek their input into your policy and planning cycle) and conferences. Of course, the AGM is the main opportunity for members to come together and have their say about the organisation. Consider combining the AGM with another event to make it into a dynamic occasion for your organisation.



## 4.5 Service users

### 4.5.1 Ways to involve service users



If you provide services, service users are the very crux of your organisation. It is important that they are involved at all levels of the service. Service users should be at the heart of the organisation's approach and its overriding priority, not just because they are entitled to this, but also because your organisation will function more effectively and efficiently if you take this approach. Ideally, clients should have an input into the design, management, delivery and evaluation of services. You must decide how you will take their views on board. For instance, will users be informed about developments, will you consult with them or will you go for a system of full participation?



In addition to the methods listed in section 4.3, you might consider using:

- Service users' notice boards
- Suggestion boxes
- Questionnaires
- Individual meetings
- User discussion forums
- Current or ex-service users on the governing body.



Key points to consider include:

- Is the information accessible, attractive, clear, comprehensible and relevant to both you and the service users?
- Are the arrangements proposed convenient, comprehensible and supportive to both you and the service users?
- What are the resource implications in terms of time and money for you and for service users (compensating for time and expenses incurred)?
- How do you take forward service users' contributions and feed back results?

### 4.5.2 Customer service



There are a number of important issues in relation to customer service:

- Does the service at its point of delivery enable the user to make his/her own informed decision about if and how to use the service?
- Are there written guidelines and training for staff and volunteers on how they should behave towards service users?
- Do you have a charter of rights for users?
- Do you have a well-publicised complaints policy, enabling service users who are not satisfied with the service they have received to make a complaint that will be dealt with swiftly and fairly?

### 4.5.3 Confidentiality



Although organisations should be open, they should also show respect for individuals' dignity and privacy. A written confidentiality policy, that outlines what type of information can be disclosed and what must remain confidential, is recommended.



Any information that you keep on service users (and others), whether that data is kept in hard or electronic format, must be collected, stored and disclosed in a way that complies with the Data Protection Acts 1988 and 2003 (see section 5.4.2).

### 4.5.4 Client safety



If your service users are vulnerable (for example, children, people with disabilities, older people), do you have a system for rectifying imbalances of power between service providers and users? A balance has to be struck between protecting clients from abuse while not curtailing activities.



The Sex Offenders Act 2001 makes it a criminal offence for a person convicted of certain criminal offences not to inform his/her prospective employer of that fact before taking up a job or performing a service involving work with children or people with a mental impairment. The Garda Central Vetting Unit conducts vetting of people working in a full-time, part-time, voluntary or student placement capacity in a 'registered organisation' where they have unsupervised access to children and/or vulnerable adults. This includes organisations funded by the HSE, new teachers in the primary and post-primary sectors, youth workers, people working in certain sporting organisations, childcare workers, workers in care homes for older people and private security personnel. Garda vetting is conducted only on behalf of registered organisations, not for individuals on a personal basis. The 2011 publication *Children First* is Ireland's national guidance for the protection and welfare of children. Under the Protection of Persons Reporting Child Abuse Act 1998, an employer is prohibited from penalising an employee who makes such a report to an appropriate person in good faith.

## 4.6 Funders



In order to gain and retain public confidence, you must be absolutely clear about who funds you. This can be difficult if donors want anonymity. You must respect requests for anonymity but clarify this in your accounts. In this case, you can expect to have to answer ongoing questions about the identity of the donor(s). To protect your good name further, it is vital that you have proper cash handling procedures, especially if you raise money from the general public (see section 5.2.1).



You also have a duty to spend funds wisely. You must use your financial resources to achieve the core aims of your organisation with an appropriately minimum possible spend on administration and fundraising costs. You should ensure, perhaps through discussions with your auditor, that all expenditure is value for money. For larger amounts it is recommended that you apply properly considered purchasing and tendering principles. For example, you may have a purchasing policy of getting three quotes for all expenditure over €1,000. Funders may require you to put out to tender any work to be undertaken by third parties/contractors to prevent racketeering and to ensure transparency.



Never, ever forget to thank donors. Report back to them about how the money was spent, in a manner that is appropriate to each.



In any case, if you receive grants from a foundation, company or statutory agency you will almost certainly be under a contractual obligation to report back in a certain format and at agreed times. Coming into increased usage in some parts of the community and voluntary

sector, primarily in healthcare, are service level agreements between the organisation and the state. As these tend to contain more complex expectations of both parties than traditional funding arrangements, organisations should ensure they are confident that they can meet their contractual obligations before entering into such agreements.

### 4.6.1 Do we need to have our accounts audited?

Audited accounts may be required by company law, as part of the requirements of having a CHY number, by funders or by your own governing document.



#### Company legislation

Companies are generally obliged by law to have their financial statements audited at least once a year. While there are certain exemptions in company law to this requirement, audited accounts should be prepared unless your organisation has received professional advice to the contrary.



#### CHY legislation

Charities with an income in excess of €100,000 per year must have audited accounts.

#### Funders

A funder may require that your organisation has its accounts audited. If in doubt, contact the funder.



#### Constitution or other governing document

Your organisation's constitution or other governing document may require you to have audited accounts. Check it to be sure.

## 4.7 Partners



Appropriate partners can add value to your work. By cooperating, organisations share knowledge, increase resources, avoid duplication, provide support and become stronger agents for change. There are many different types of partnerships at all levels, from informal local networks to national campaigning coalitions and federations and international information exchanges. They can:

- Have no joint activities (for example, informal networking, formal networking, consultation)
- Have separate but linked activities (for example, referrals, placements, linked applications for funding or contracts)
- Have joint activities (for example, cooperation, shared resources, partnerships).



Organisations must determine for themselves appropriate working protocols with possible partners. Where pooling of resources (time, staff, money, etc) is concerned, it is very important to have a written agreement, even if only by email, as to the role and expectations of each partner.



The Wheel is publishing a resource guide in 2012, based on a collaborative working project it conducted, which includes real life case studies that will help organisations to:

- Understand the different degrees of collaboration
- Learn how to identify potential partners and areas for collaboration
- Create a culture of collaboration within their organisations
- Avoid the most common pitfalls, and collaborate more effectively.

## 4.8 Wider society



Although the wider community and society is not usually one of the organisation's key stakeholders, they should nevertheless be considered as part of the organisation's overall accountability strategy. It is the aim of many voluntary and community groups to raise public awareness about issues. In this sense, members of the general public, both local and further afield, must be considered as potential future stakeholders.



## 4.9 Checklist

Questions for the organisation	Yes	In progress	No
Is everybody in your organisation clear about what 'accountability' means?			
Have you defined who all your stakeholders are?			
Do you have a communications strategy?			
Do you produce and circulate an attractive and useful annual report?			
Do you produce and circulate a newsletter?			
Do you have a website, or any other sort of presence on the internet and do you have an information updating process?			
Do you deal effectively with the media?			
Do you have a media policy?			
Are you confident that you are being properly accountable to your members?			
Do you involve service users, if any, in the design, management, delivery and evaluation of services?			
Do you have a well-advertised customer service charter and/or complaints policy?			
Do you have a confidentiality policy?			
Can you ensure the safety of your clients?			
Are you confident that you are properly accountable to those who fund you?			
Are you certain that you know whether or not you need to have audited accounts?			
Do you engage in positive partnerships?			

## 4.10 Signposts

Please contact The Wheel  
for further information:

**The Wheel**

48 Fleet Street,  
Dublin 2

Tel: 01 – 454 8727

[www.wheel.ie](http://www.wheel.ie)

[info@wheel.ie](mailto:info@wheel.ie)

### Additional signposts:

**Activelink**

[www.activelink.ie](http://www.activelink.ie)

**Charity Commission for England and Wales**

[www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)

- *For information on SORP*

**Charity Comms**

England

[www.charitycomms.org.uk](http://www.charitycomms.org.uk)

**Directory of Social Change**

England

[www.dsc.org.uk](http://www.dsc.org.uk)

- *Hill, Liz and Whitehead, Brian,  
The Complete Membership Handbook:  
A Guide to Managing Friends, Members  
and Supporter Schemes, 2004*

**Garda Central Vetting Unit**

Racecourse Road

Thurles, Co Tipperary


Tel: 0504 – 27300

[www.garda.ie](http://www.garda.ie)

**Health Service Executive**

[www.hse.ie/eng/services/find\\_a\\_service/children  
\\_and\\_Family\\_Services\\_/childrenfirst](http://www.hse.ie/eng/services/find_a_service/children_and_family_services/childrenfirst)

- *Children First*



## CHAPTER 5: RESOURCES maximising your assets and limiting your risks

This chapter considers the range of resources that your organisation needs to draw on to be efficient and effective. You will find out more about money (both the raising of funds and good financial management), premises, equipment, information and human resources. You will also learn how to minimise the risks associated with running your organisation.

## 5.1 The need for resources

However important the issue that your organisation is set up to address and however passionate you are about this issue, unless you can find resources, you will not be successful in achieving your goals. You must ensure that you have all the necessary resources (money, premises, equipment and people) to carry out your role, and you must ensure that those resources are well managed and that risks are minimised.

## 5.2 Money

### 5.2.1 Fundraising



It is vital that your organisation approaches fundraising in a strategic way, with proper planning, implementation and evaluation. It is a demanding task that should be seen as central to the organisation and not left to one individual.



Identify which funding sources are appropriate for your organisation, depending on your stage of development and on the issues that you are dealing with. Choose from the following, remembering the old adage 'don't put all your eggs in one basket':

- **Statutory sources:** grants from local and central government, service level agreements, secondments of public sector staff, etc
- **Foundations and trusts:** grant schemes from Irish and international foundations
- **Corporate sources:** business and corporate donations, event or other type of sponsorship, discounts, donated or in-kind skills/equipment/services, formal award schemes run by multinationals, etc
- **Individuals:** street collections, monthly standing orders, payroll giving, raffles, charity shops, direct mail, appeals and events (purchasing tickets and attending, bidding at auctions, organising an event and donating the proceeds, etc), legacies, major gift fundraising
- **International sources:** cross-border and European Union programmes, etc
- **Other sources:** membership fees, social finance, charging for services, setting up a social enterprise, consultancy, etc.



There are many organisations competing for funding from a limited pool. Communications is key in this area: you must make your particular case clearly and strongly and continue to refine and restate that case over time. Donors need to be persuaded that their money will make a difference and that you will use it wisely. You must also say exactly how much you need; make sure you think of all your running costs! Aim to build long term relationships with your funders. Consider ethical fundraising issues and whether there are any situations in which you will refuse funding from anybody. Also consider the issue of whether or not to fundraise from the pool of volunteers that your organisation may have for operational purposes, or whether or not to fundraise from your organisation's client-base.

If you receive money from the state, you may need to prove that your tax affairs are in order. To obtain a tax clearance certificate, complete Revenue Commissioners form TC1, either on-line or manually (if the latter, you should send it to your district revenue office).



Under the terms of the Gaming and Lotteries Act 1956 you are entitled to run a competition (that is, something that requires skill) without permission, and you are also entitled to run a private lottery (that is, something that is down to chance, not skill, amongst your own members) without permission. However, for lotteries that involve raising funds from the general public, you must seek advance written permission from your local Garda station.



If you wish to do cash collections in public places, the Street and House to House Collections Act 1962 states that you must seek advance written permission from your local Garda station.



If you raise funds from the public, a Statement of Guiding Principles for Fundraising is now available. You are strongly encouraged to implement these principles and sign up to them. Guidance on doing so is available from Irish Charities Tax Reform.



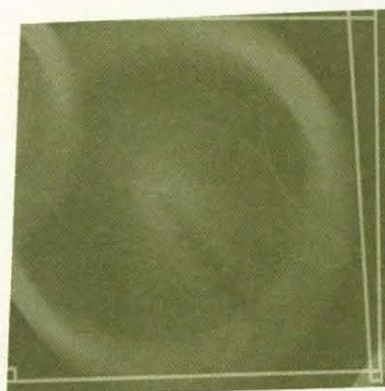
Note that if your organisation is a campaigning or lobbying one, targeting the wider society as part of its activities, you may be subject to the Electoral Act 1997 (amended 2001). Under this Act a non-profit organisation that accepts, in a particular year, a donation exceeding €126.97 from a single source specifically for any campaign that supports or opposes any policy of the government or a public authority, including a local authority, is a 'third party' for the purposes of the Acts and is required to register with the Standards in Public Office Commission on receipt of the donation and before incurring any further expenses for the campaign. However, if a non-profit organisation expends money on this type

of political activity, but does not receive a donation larger than €126.79 for the express purpose of the activity, then it is not a 'third party' and does not have to register. This is a complex area, and if you think your organisation might be subject to these Acts you should seek advice.

### 5.2.2 Financial management

You have significant financial responsibilities that you must take seriously. These include:

- Budgeting
- Income generation
- Risk analysis
- Cash flow analysis
- Book keeping and other record keeping
- Dealing with cash
- Financial reporting
- Financial monitoring (are income and expenditure in line with the budget?)
- Financial control (taking remedial action if they are not).





Your organisation must have appropriate financial systems in place to ensure that these responsibilities are carried out properly. A written finance policy is highly recommended. In terms of internal financial control, your procedures might include:

- Using approval or requisition forms before incurring expenditure
- Checking suppliers' invoices for accuracy and reconciling them regularly
- Sequentially numbering suppliers' invoices on receipt
- Paying suppliers on time
- Only authorising payment if you have the original documentation to back up the expenditure
- When authorising, marking originals as 'paid', together with the cheque number or details of any other payment method
- Ensuring that expenses cheques are not approved/signed by the person receiving the money
- Never signing blank cheques
- Always having two signatories per cheque
- Restrictively crossing all cheques 'account payee only; not negotiable'
- Safely storing unused cheques and cash
- Keeping detailed records, on receipt, of all monies received
- Using sealed, numbered boxes for public collections
- Using numbered tickets for raffles and fundraising events
- Opening the post by more than one person
- Lodging receipts daily
- Undertaking regular bank reconciliations that are approved by the treasurer.

## 5.3 Premises and equipment



Unless your group is very small and operates from the homes of individuals, you will have some sort of premises, however basic. You are also likely to have furniture and equipment, and possibly vehicles and stock. The sourcing, security and maintenance of these is your responsibility. You should at all times make the best use of limited resources, so consider sharing premises/equipment with others, actively seeking donated or borrowed goods from the corporate sector, ensuring you use properly qualified contractors, adopting an environmental policy, and so on. Also make sure you have an assets register listing details of all your capital assets and dates of purchase and disposal.



You must, of course, abide by all relevant laws in relation to premises and equipment, including licensing, planning, building regulations and road safety laws.

## 5.4 Information



It is imperative that you establish systems for the proper administration and management of information. Organisations are bombarded with vast volumes of information daily, received by post, telephone, text, email, etc. Poor systems will lead to organisational inefficiency. For example, how do you ensure that information is passed round all relevant people? How do you keep track of your library resources? Also think about how you manage your information and communications technology, how you store data, and how you deal with intellectual property rights.

#### 5.4.1 Managing information and communications technology



All organisations use information and communications technology to some extent. Even those groups and organisations that do not have computers use landline telephones, mobile phones, fax machines, and so on. In an ever more technological world, it is becoming increasingly difficult to operate organisations without computers, not only for functions such as word processing and the keeping of accounts, but for accessing information on the internet and for communicating with others via email. As soon as an organisation has more than one computer, these should be networked, and once it has more than a handful of computers, a separate server is recommended. It is essential that files are stored in a coherent manner on the server (or main computer) and that these are backed up on a very frequent basis. Cloud computing is another option. Only legitimate licensed software should be used. It is important that information that has been backed up is stored safely either in a fireproof safe or off-site. It is vital that systems are in place to block computer viruses. Installing an anti-virus programme is not enough; it must be updated on an ongoing basis. A strict policy on email and internet usage, including personal usage, is advised.

#### 5.4.2 Data protection



If your organisation is responsible for keeping and using personal information about people, whether on computer or in manual files, then you may have legal responsibilities as a data controller under the Data Protection Acts 1988 and 2003. Serious legal responsibilities attach to being a data controller, so if you think your organisation might come within the legislation, check it out.

#### 5.4.3 Freedom of information



The Freedom of Information (FOI) Acts 1997 and 2003 give rights to members of the public to access official records of certain public bodies. The legislation also allows the public to obtain reasons behind decisions made by the public bodies that affect them. A public body does not come under the legislation unless it has been specifically named as being covered by it. To date a wide range of bodies have been so named, including government departments, state agencies, local authorities, health services, voluntary hospitals and a number of bodies that provide services for people with intellectual or physical disabilities. There is one other possible way that an organisation might come within the legislation. This arises where an organisation which does not come under FOI directly nevertheless provides a service under a contract to a public body covered by the legislation. In these circumstances records held by the service provider and connected to the contract with the public body may be subject to FOI.

#### 5.4.4 Copyright



The author of an original literary, dramatic or artistic work is entitled to the copyright on that work. Copyright is breached where a person or an organisation, without the copyright owner's consent, does anything with the work. Certain uses of works may be allowed where, for example, the work is sufficiently acknowledged. It is a complex area of law, so if in doubt take legal advice before using the work of another person.

#### 5.4.5 Trade marks



A trade mark means any sign which distinguishes the goods or services of one company or organisation from that of another. The trade mark can consist of, for example, words, designs, letters or numbers. Trade marks can be registered under the Trade

Marks Act 1996, and this provides protection to the owner. As with copyright, this is a specialist area of law for which detailed legal advice should be sought, if in doubt.

## 5.5 People

### 5.5.1 Recognising all of the people involved



The people who undertake the work of your organisation, whether they are paid a wage or not, are the most important asset of your organisation. Without them, you simply would not exist. Every person plays a vital role, and everyone needs to view each other as partners in a team working together to achieve common goals. The types of people involved in your organisation might include:

- Volunteers on the governing body
- Volunteers involved in particular services or on particular projects
- Interns, transition year students or other work experience placements
- People on training or getting-back-to-work programmes
- Permanent paid staff
- Paid staff on fixed term contracts
- Secondees
- External contractors, such as consultants or tradespeople.

*(Each of these people may work part-time or full-time.)*



The more people are involved, the more complex your organisation becomes and the greater the need for a formal approach. It is absolutely vital that you have crystal clear boundaries about who does what. You should have a continually updated organisational diagram (or 'organigram') with clear lines of responsibility, that is circulated to, and understood by, all parties.

### 5.5.2 Paid staff

If an organisation decides to take on staff, it must be very clear about the legal and moral obligations that go with being an employer.



These are just some of your **legal employment responsibilities:**

- You must register as an employer with the Revenue Commissioners, to whom you must pay PRSI and Employer's PRSI (you cannot avoid doing so by claiming the person is self-employed and has a contract for services, if they in fact have a contract of employment).
- All new employees must, by law, be given a written statement of terms and conditions of employment (usually known as a contract), within two months of commencing.
- Changes to a contract of employment, other than those imposed by law, are a matter of agreement between the employer and the employee. You must notify the employee in writing as soon as possible, but no later than one month prior, of any change to those terms and conditions that are required by law to be provided in writing to an employee.
- You must provide the employee with written information about the organisation's dismissal procedures within 28 days of starting employment.

- You must give 28 days notice of any changes to these dismissal procedures.
- You must provide all employees with proper payslips.
- Under the Organisation Of Working Time Act 1997 an employee may generally work a maximum of 48 hours weekly and is entitled to certain breaks and rest periods on a daily and weekly basis.
- The Organisation of Working Time Act 1997 provides for a basic annual paid leave entitlement of four working weeks for employees with sufficient service under the legislation. This is the statutory minimum, and a contract of employment could provide for longer leave.
- There are detailed provisions for adoptive, jury, maternity, carers and parental leave.
- After an employee has been with you for six months, at a minimum, you must provide a Personal Retirement Savings Account (PRSA) facility through the organisation, although you are not obliged to pay into this.
- Use a probationary period to find out if you are right for each other.
- Have a thorough induction process for all new employees.
- Invest in training and development for all staff.
- Provide good systems for supervision, support and appraisal (including external non-managerial supervision for the most senior member of staff).
- Accommodate, where possible, flexible work practices that will enhance employees' life balance (for example, working from home, time-off-in-lieu (TOIL), career breaks, study leave, child care provision).
- Have written disciplinary and grievance procedures.
- Have systems for staff ceasing employment (exit interviews, references, retirement planning, redundancy, etc).
- Consider using some form of appropriate payscales with increments and also the possibility of honouring national wage agreements.



These are some other elements of **good employment practice** you should consider:

- All employees should have a written contract of employment when they start their employment.
- Have a written staff policy and/or a staff handbook, that is amended as soon as new laws are enacted or working practices are changed.
- When recruiting, start with a very clear job analysis, then write a detailed job description, followed by a focused person specification that will form the basis for selection.
- Advertise positions as widely as your budget will allow and use a range of screening and selection techniques that are focused on equality of opportunity.



**Employment law** changes regularly and is demanding for organisations to keep abreast of. It currently includes, but is not limited to, the following acts:

- Adoptive Leave Acts 1995 – 2005
- Carer's Leave Act 2001
- Employment Equality Acts 1998 – 2004
- Industrial Relations Act 1990
- Juries Act 1976
- Maternity (Protection of Employees) Acts 1994 – 2004

- Minimum Notice and Terms of Employment Acts 1973 – 2001
- Organisation of Working Time Act 1997
- Parental Leave Acts 1998 – 2006
- Payment of Wages Act 1991
- Pensions Act 1990, amended 2002
- Protection of Employees (Employer's Insolvency) Acts 1984 – 1991
- Protection of Employees (Fixed-Term Work) Act 2003
- Protection of Employees (Part-time Work) Act 2001
- Protection of Young Persons (Employment) Act 1996
- Redundancy Payments Acts 1967 – 2003
- Safety, Health and Welfare at Work Act 2005
- Terms of Employment (Information) Acts 1994 – 2001
- Unfair Dismissals Acts 1977 – 2005.

### 5.5.3 Volunteers



There are no specific laws relating to volunteers. In the case of volunteers, the challenge is finding and keeping volunteers without the lure of a salary. Some examples of good practice in volunteer management include:

- Positively articulating why you involve volunteers on an ongoing basis
- Having a written volunteer policy and/or handbook
- Drawing up role descriptions for all volunteers
- Having informal recruitment and selection techniques that mirror those for paid staff
- Providing induction and ongoing training
- Having appropriate systems for supervision and support

- Recognising the contribution that volunteers make and saying thank you
- Paying out-of-pocket expenses
- Evaluating the impact made by volunteers.

### 5.5.4 Other human resources



The other types of workers that may be involved in your organisation, such as trainees and interns, sometimes occupy a grey management area. Are they paid staff or are they volunteers? What are their rights and responsibilities? Who deals with any problems? It is vital that the contribution of all workers is recognised, planned for, managed and evaluated.



A human resource that requires particularly careful thought is that of third party contractors; individuals or organisations to whom you may contract out some work, because you do not have the skills or time to do it in-house. Examples include management consultants, trainers, graphic designers, tradespeople, etc. If the contract is any way sizeable, it is crucial that you put it out to tender (see section 4.6). It is also very important to agree – in detail and in writing – the scope of the work, the exact activities and the timelines, and that you fix a price for the job. Unless the job in hand is small, stage payments are the norm. It is your responsibility to pay the contractor's invoices on time. Ongoing communication between the organisation and the contractor is essential.

## 5.6 Managing risk

### 5.6.1 Threats and opportunities



Risk is a situation involving an exposure to danger. You should approach risk management positively, as part of the day-to-day management of the organisation, for it does not just identify threats, it also provides opportunities for improvements. Most risk can be anticipated and therefore planned for, for example:

- **Financial** (such as inadequate reserves)
- **Human** (such as departure of key staff)
- **Operational** (such as theft of computers)
- **Technological** (such as the computers dying without sufficient backup)
- **Physical** (such as someone falling off a ladder)
- **Reputational** (such as media exposure of bad practice)
- **Governance and management** (such as a lack of plan to guide the organisation's work).



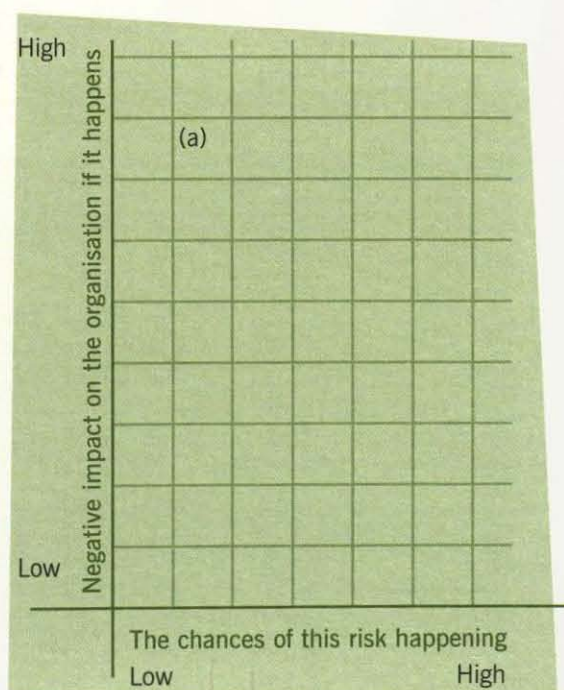
You may wish to consider a risk management or audit subcommittee that undertakes regular reviews of internal control systems. However you choose to conduct this process in your organisation, you should ensure that the governing body is actively involved and reviews the risk management strategies annually as it is ultimately responsible for the risk management in the organisation.



You should conduct an annual written assessment – under the main headings such as the seven listed above – of the risks facing your organisation (**risk identification**). Each risk that you identify should be assessed to examine the consequences to the organisation if it were to happen (**risk assessment**). Each risk

should then be matched with a risk management strategy that describes the procedures that are in place or actions that are underway to manage or minimise that risk (**risk management**). Remember that you must put in place clear communication channels for all workers to report suspected breaches of law, regulations and other improprieties.

A useful tool to help you report the findings is to plot each risk identified on a simple graph that has 'the chance of this risk happening' on one axis, and 'negative impact on the organisation' on the other axis (see below). For example, the risk of a fire in your office destroying all your files and data on your PCs might have a low risk of happening, but if it did, it could have a very harmful impact on your organisation: in this case, that risk - identified by the letter (a) - would appear somewhere in the top left, as shown below.



Although where to precisely plot the risk on this graph is a judgement call, this can be a helpful tool for management and the governing body to focus energy on the most important risks. It also quickly identifies those key risk areas that require more targeted management (that is, those in the top right quadrant) which have a high likelihood of happening and significant negative impact if they did happen. However, it is important to stress that risks plotted elsewhere on this chart should also be actively managed.



One of the most effective risk management approaches is to have a comprehensive set of policies and procedures for the organisation (see section 3.5). By having written policies and procedures on, for example, staffing and employment, internet and email usage, health and safety, etc, you will find that these procedures not only assist you in implementing your plans for the organisation, but they also act as risk management strategies for many of the 'usual' risks facing your organisation. In approaching risk management in this way, it becomes part of the day to day management of the organisation and not something to be intimidated by.

By dealing with risk directly in a manner similar to that described in this section, you can be sure that the organisation is better managed on a daily basis.

## An example of risk management based on employing staff

### Step 1 – *Identify* potential areas of risk to the organisation

Does the organisation have procedures in place to comply with employment, equality, and health and safety legislation? If so, how well have these procedures worked in the past? When were they last reviewed? Are there gaps?

### Step 2 – *Assess* the impact of the risk on the organisation if it were to happen

For example, what are the legal penalties of not having health and safety statement? What are the reputational risks if a disciplinary matter is mishandled?

### Step 3 – *Manage* the risk by revising/developing procedures in the light of steps one and two

Implement required changes to existing procedures and develop procedures to meet identified gaps. Arrange for regular review of those procedures and decide how the organisation will keep itself informed of changes in employment legislation.

### 5.6.2 Health and safety



Health and safety is one area where the legal obligations for managing risk are particularly demanding. Under the Safety, Health and Welfare at Work Act 2005 every employer is required to prepare a safety statement for the workplace. This statement should:

- Identify any hazards present in the workplace
- Assess the risks arising from such hazards
- Identify the steps to be taken to deal with any risks.

The statement should also contain the details of people in the workforce who are responsible for safety issues. Employees should be given access to this statement, and employers should review it on a regular basis. It can be helpful, in order to avoid misunderstandings, to ensure all employees and volunteers sign a compliance form when they join the organisation that they have had the safety statement explained to them, that they have had a chance to ask questions and that they understand it.

The governing body of your organisation should review the safety statement annually, and it would be good practice to include that fact in your annual report. The Health and Safety Authority provides many useful publications in this area.



If your organisation is involved in the preparation of food then you need to be aware that all food handlers must work to a HACCP (Hazard Analysis Critical Control Point) plan. For more information on the various standards associated with food preparation you should contact the Food Safety Authority of Ireland.

### 5.6.3 Insurance



However small or informal your organisation, insurance is a must. It is also a crucial way to minimise the risk to your organisation. You can insure yourself against almost anything, but at a cost. High insurance premiums over recent years have been a problematic issue for many organisations in the sector, and each organisation must decide for itself which types of insurance are most crucial for their operation. The most common policies are:

- Public liability
- Employer's liability
- Directors and officers liability
- Professional indemnity
- Building and contents cover
- Vehicles.

There are several group insurance schemes available to community and voluntary organisations that provide good value – see the **Signposts** section at the end of this chapter.



Remember though that insurance will not cover you for circumstances like getting into debt, defamation or breach of contract. Think very carefully, therefore, before entering into any legal undertakings, such as renting premises, hiring staff, leasing a photocopier, and so on.

## 5.7 Checklist

Questions for the organisation	Yes	In progress	No
Are you satisfied with your fundraising strategy?			
Do you have sound financial management systems?			
Are your premises and/or vehicles and/or equipment and/or stock well managed?			
Does your organisation have proper systems in place to deal with all the information that it handles, including ICT?			
Do you have an up-to-date organisational diagram that includes all the individuals and/or or groups of people that are involved in your organisation?			
If you are an employer, do you have all the up-to-date information about your legal responsibilities?			
If you are an employer, do you feel that you are adhering to good practice?			
Do you feel that you are adhering to good practice in terms of involving volunteers, trainees, etc?			
Do you have adequate systems in place to manage risk?			
Do you have a health and safety policy and procedures?			
Do you have adequate insurance cover?			

## 5.8 Signposts

Please contact The Wheel  
for further information:

### **The Wheel**

48 Fleet Street,  
Dublin 2

Tel: 01 – 454 8727

[www.wheel.ie](http://www.wheel.ie)

[info@wheel.ie](mailto:info@wheel.ie)

- *Reducing the Risk, 2009*
- *Workplaces that Work, 2010*
- *Fundingpoint*
- *Insurance Scheme*

## Additional signposts:

### **Carmichael Centre for Voluntary Groups**

Carmichael House

North Brunswick Street, Dublin 7

Tel: 01 – 873 5702

[www.carmichaelcentre.ie](http://www.carmichaelcentre.ie)

- *Effective Fundraising for Voluntary and Community Groups, 2006*
- *When Staff Enter the Picture, 2006*

### **Clann Credo**

Irish Social Finance Centre

10 Grattan Crescent

Inchicore

Dublin 8

Tel: 01 – 400 2100

[www.clanncredo.ie](http://www.clanncredo.ie)

- *For all matters social finance.*

### **Citizens Information Board**

George's Quay House

43 Townsend Street

Dublin 2

Tel: 01 – 462 0444

[www.citizensinformationboard.ie](http://www.citizensinformationboard.ie)

- *Group insurance facility*

### **Employer Resources**

[www.erb.ie](http://www.erb.ie)

- *Collaborative initiative between the Community Sector Employers' Forum, Carmichael Centre for Voluntary Groups and The Wheel, promoting best practice in employment for Irish non-profits*

### **Enclude**

Drumcondra Business Centre

120 Drumcondra Road Upper

Dublin 9

Tel: 01 – 653 5099

[www.enclude.ie](http://www.enclude.ie)

- *Technology donations and solutions for Irish non-profits*

### **Irish Charities Tax Reform**

85 Merrion Square South

Dublin 2

Tel: 01 – 676 9908

[www.ictr.ie](http://www.ictr.ie)

- *Statement of Guiding Principles for Fundraising*

**Food Safety Authority of Ireland**

Abbey Court, Lower Abbey Street  
Dublin 1

Tel: 01 – 817 1300 or  
Locall: 1890 – 336 677  
[www.fsai.ie](http://www.fsai.ie)

**Fundraising Ireland**

3rd Floor, La Touche House  
1 Grove Road  
Dublin 6

Tel: 01 – 407 1613  
[info@fundraisingireland.ie](mailto:info@fundraisingireland.ie)  
[www.fundraisingireland.ie](http://www.fundraisingireland.ie)

**Health and Safety Authority**

The Metropolitan Building  
James Joyce Street, Dublin 1

Locall: 1890 – 289 389  
[www.hsa.ie](http://www.hsa.ie)

**National Employment Rights Authority**

O'Brien Road  
Carlow

Locall: 1890 – 808 090  
[www.employmentrights.ie](http://www.employmentrights.ie)

**Office of the Data Protection Commissioner**

Canal House, Station Road  
Portarlinton, Co Laois

Locall: 1890 – 252 231  
[www.dataprotection.ie](http://www.dataprotection.ie)

**Office of the Information Commissioner**

18 Lower Leeson Street, Dublin 2

Tel: 01 – 639 5689 or  
Locall: 1890 – 223 030  
[www.oic.gov.ie](http://www.oic.gov.ie)

**Office of the Revenue Commissioners**

Tel: 1890 – 306 706 (for forms)

- *Tax clearance form TR1*  
[www.revenue.ie/en/tax/vat/forms/formtr1](http://www.revenue.ie/en/tax/vat/forms/formtr1)

**Philanthropy Ireland**

85 Merrion Square South, Dublin 2

Tel: 01 – 676 8751  
[www.philanthropyireland.ie](http://www.philanthropyireland.ie)

**Standards in Public Office Commission**

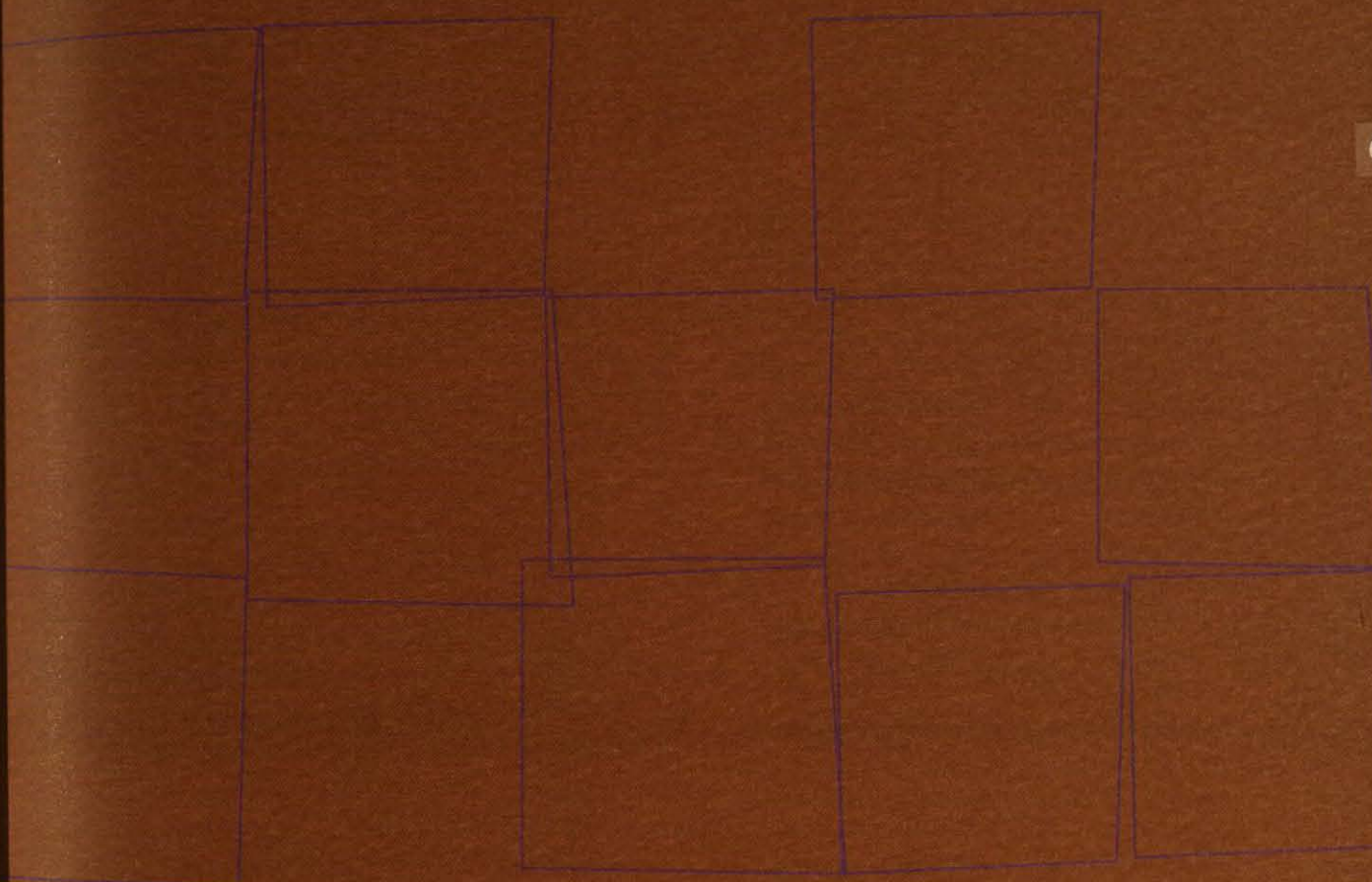
18 Lower Leeson Street, Dublin 2

Tel: 01 – 639 5666  
[www.sipo.gov.ie](http://www.sipo.gov.ie)

**Volunteer Ireland**

18 Eustace Street  
Dublin 2

Tel: 01 – 636 9446  
[www.volunteer.ie](http://www.volunteer.ie)

An abstract graphic consisting of several overlapping squares of varying sizes, outlined in a light purple or blue color, set against a dark brown background. The squares are arranged in a way that creates a sense of depth and geometric complexity.

## CHAPTER 6: EQUALITY making your organisation accessible, diverse and inclusive

In this chapter, you will find out what is meant by equality and why equality is an important issue for your organisation. You will learn that equality legislation applies to all organisations, however small.

You will discover that there are many simple ways to make your organisation more accessible, diverse and inclusive.

## 6.1 Why equality?

Although most people in the community and voluntary sector would agree that equality is an important concept, many find it challenging to translate a general belief in equality and inclusion into concrete action in the structures, processes and operations of an organisation. However, for the many groups and organisations that are set up to progress social justice it is essential that you do so, because having an ethos of equality is simply an extension of that commitment to equity and fairness. Furthermore, for all organisations, embracing equality will ultimately save you time and money, by increasing the efficiency and effectiveness of your organisation. Finally, you have no choice about some matters of equality, as the law requires you to meet a number of obligations.



## 6.2 Equality law

### 6.2.1 The scope of equality law



Equality law currently consists of the Employment Equality Acts 1998 – 2011 and the Equal Status Acts 2000 – 2011. Please note that even if you are a small, underfunded charity, you are not exempt from equality law! Even if you have only one part-time member of staff you have to abide by employment equality legislation, and even if the services you provide are free, you are still bound by equal status legislation.



This legislation is also very important in relation to how you organise any services that you might deliver to your client group. You need to be aware of it when you are planning, designing, advertising, promoting, delivering and evaluating your services.

### 6.2.2 Discrimination



The law prohibits discrimination. Discrimination is the less favourable treatment of one person over another and can be:

- **Direct** For example, harassing a gay man over his sexuality.
- **Indirect** For example, requesting a large number of written references from all prospective employees, including newly arrived migrant workers. The requirement is likely to put migrant workers at a disadvantage compared with other groups. Unless the employer can justify the requirement and its extent, there may be indirect discrimination against the migrant workers.
- **By association** For example, refusing entry to a person to your fundraising event because s/he is accompanied by a particular person, such as a person with a disability.

- **By imputation** For example, refusing a service to a person because it is thought the person is a member of the traveller community.



Discrimination is prohibited on nine grounds:

- Gender (man, woman, transsexual)
- Marital status (single, married, separated, divorced, widowed)
- Family status (parent of a child under 18 or resident primary carer or parent of a person with a disability)
- Sexual orientation (gay, lesbian, bisexual, heterosexual)
- Religion (religious belief, background, outlook, or none)
- Age (all ages above the maximum age at which a person is statutorily obliged to attend school)
- Disability (people with physical, intellectual, learning, cognitive or emotional disabilities and a range of medical conditions)
- Race (race, skin colour, nationality, ethnic origin)
- Traveller community (people identified both by travellers and others as having the shared history, culture and traditions of a nomadic way of life on the island of Ireland).

There are a limited number of defined exceptions to these categories: contact the Equality Authority for further information.

### 6.2.3 Employment equality



If you employ anyone, the Employment Equality Acts apply to you. As an employer, it is your duty to ensure that:

- There is no discrimination when you advertise job opportunities
- There is equal pay for equal work
- Employees are protected from harassment and sexual harassment
- You make reasonable accommodation for potential and current employees with disabilities
- You ensure there is no victimisation of employees who decide to take action under the Acts
- You take all reasonable practical steps to prevent discrimination in your workforce (please note that you are liable for all the actions of your employees during the course of their employment).

In addition, you may take positive action that strives for full equality between employees.

### 6.2.4 Equal status



The Equal Status Acts apply to your organisation if you do any of the following:

- Sell goods
- Provide services (even if these are free)
- Provide accommodation and related services
- Run an educational establishment.



Under the Acts you:

- Must ensure you do not advertise in a way that discriminates or harasses
- Must prevent harassment and sexual harassment
- Must make reasonable accommodation for people with disabilities

- May not victimise
- Must take all reasonable practical steps to prevent discrimination (please note that you are liable for all the actions of your employees during the course of their employment).

You may allow preferential treatment of, or make special provisions for, disadvantaged groups or individuals if this genuinely promotes their equality of opportunity.

### 6.2.5 Reasonable accommodation



Under both Acts, there is an obligation to do all that it is reasonable to accommodate the needs of people with disabilities. This might involve providing special treatment or facilities if, without these, it would be unduly difficult or impossible to access and use goods/services, or to access, participate in, advance in, and receive training for, employment. Appropriate measures may include the adaption of premises and equipment, changes in the distribution of tasks or patterns of working time, and so on. You are only obliged to do so, however, if in relation to employment, the measures do not impose a 'disproportionate burden' on you and if, in relation to the Equal Status Acts, they involve no more than a 'nominal cost'. This will depend on the nature and size of your organisation. If the state provides grants, for example for physical adaptations to premises, there may be an onus on the organisation to avail of these.

## 6.3. Good practice in equality

### 6.3.1 A strategic approach



The law outlines the minimum that you must do to ensure basic equality in your organisation. However, you should look beyond the law, by proactively promoting equality and adopting, over time, as many examples as possible of good practice in equality, some of which are outlined below. You should take a strategic approach, with a clearly defined equality policy (or similar) and plan with targets, taking into account the resources – in terms of knowledge, time and money – that you have available to you at any one time.

### 6.3.2 Organisational culture



Everyone in the organisation must be committed to championing equality in the organisation. If fears are expressed or resistance is shown, this must be dealt with sensitively, yet robustly. One of the most important factors for success in terms of equality is having an open and inclusive atmosphere in which people feel free to speak their minds. It is also important to be open to change, as this is a fast-changing area of work, and to have a solution-focused 'can-do' approach. If any changes to working practices are required, they are usually minor and easy to implement, provided that the will is there to make them. Also note that making changes to benefit one group of people may also improve the situation for others (for example, if you improve physical accessibility for wheelchair users, you will also make it easier to get around for people with prams).

### 6.3.3 Proofing



In the 1990s, the concept of poverty proofing was introduced. When formulating new policies and projects, proposals are assessed on whether they have a positive, negative or neutral effect on poverty reduction. Since then, gender and disability proofing, and more recently, equality proofing, have been introduced as ways of assessing the potential impact of new initiatives. It is worth considering this approach for your organisation.

### 6.3.4 Accessibility



Accessibility is a wide concept. In people's minds, it is often limited to physical accessibility in terms of lifts, ramps, and the like. Certainly, these may be important for users of wheelchairs, but accessibility is much broader than this. Consider also where your premises are located or where you hold events. Are these places easily reached by different forms of transport? Are they welcoming? Are they properly signed? Are your opening times and the times of your events and meetings suitable for all types of people? How do you communicate with people? Have you considered any of the following: audio, braille, disability friendly websites, email, fax, large print, interpreters, SMS/text, plain English, signers, video? Are you sure you have no overly complicated procedures that can be simplified?

### 6.3.5 Diversity



Closely linked with accessibility is diversity. Unless you ensure accessibility for as wide a group of people as possible, you will not have a diverse organisation. Look at your current situation: do your members, service users, staff, governing body and volunteers reflect the society in which we live or the community in which you operate? Should they? It is unlikely to happen organically, so what proactive steps will you take to ensure diversity? If you do not know where to start, there are many resources that can help you. It is important that everyone in the organisation is trained on matters of equality. Assess where the training needs in your organisation lie and source information and training as appropriate, for example, cultural or disability awareness training.

### 6.3.6 Inclusion



How do you become a fully inclusive organisation? Certainly by adopting the approaches outlined above you are well on your way. However, this is not an area for complacency, and you must continue to ask yourself hard questions, the answers to which may require radical changes in the way you work. Can you truly say that you are open to all types of people, especially if you are set up to serve a particular subsection of the community? Are you really dealing with those most at risk of social exclusion, or do people fall through the net? Is the work you do making society a better and more just place? These are the issues that prompted the setting up of many community and voluntary organisations and the ones that should continue to inform the ways in which they work.

## 6.4 Checklist

Questions for the organisation	Yes	In progress	No
Has your organisation discussed discrimination and equality, and is there common agreement about dealing with these issues?			
If you employ staff, do you understand how the Employment Equality Acts apply to your organisation?			
If you run an educational establishment, provide services or accommodation, or sell goods, do you understand how the Equal Status Acts apply to your organisation?			
Are you clear what is meant by 'reasonable accommodation' for people with disabilities?			
Do you have an equality policy or similar?			
Have you considered equality proofing?			
Have you policies in place to address issues of harassment, especially sexual harassment?			
Have you implemented any accessibility measures?			
Have you taken steps to make your organisation more diverse?			
Do you feel that you are a truly inclusive organisation?			
Have people in your organisation undertaken any equality training?			

## 6.5 Signposts

Please contact The Wheel  
for further information:

**The Wheel**

48 Fleet Street,  
Dublin 2

Tel: 01 – 454 8727

[www.wheel.ie](http://www.wheel.ie)

[info@wheel.ie](mailto:info@wheel.ie)

### Additional signposts:

**Department of Justice and Equality**

Bishop's Square

Redmond's Hill

Dublin 2

Tel: 01 – 479 0200

[http://www.inis.gov.ie/en/JELR/Pages/Equality\\_  
disability](http://www.inis.gov.ie/en/JELR/Pages/Equality_disability)

**Department of Social Protection**

Social Inclusion Division

Gandon House

Amiens Street

Dublin 1

Tel: 01 – 704 3245/968/614

[www.socialinclusion.ie](http://www.socialinclusion.ie)

**The Equality Authority**

Birchgrove House

Roscrea

Co. Tipperary

Locall: 1890 – 245 545

[www.equality.ie](http://www.equality.ie)

**The Equality Tribunal**

3 Clonmel Street

Dublin 2

Tel: 01 – 477 4100 or

Locall: 1890 – 344 424

[www.equalitytribunal.ie](http://www.equalitytribunal.ie)

## Some more useful signposts

Below is a list of further signposts that have cross-cutting relevance and therefore were not suitable to put in any one particular chapter.

### **Bar Council**

Four Courts

Dublin 7

01 – 817 5014

[www.lawlibrary.ie](http://www.lawlibrary.ie)

- *Voluntary Assistance Scheme*

### **Institute for Managers of Community and Voluntary Organisations**

Coleraine House

Coleraine Street

Dublin 7

Tel: 01 – 873 4162

[www.imcv.ie](http://www.imcv.ie)

### **Institute of Public Administration**

57 – 61 Lansdowne Road, Dublin 4

Tel: 01 – 240 3600

[www.ipa.ie](http://www.ipa.ie)

- *Administration Yearbook and Diary, published annually*

### **National Adult Literacy Agency**

Sandford Lodge

Sandford Close

Dublin 6

Tel: 01 – 412 7900

[www.nala.ie](http://www.nala.ie)

- *Plain English Guides*

### **Public Interest Law Alliance**

c/o Free Legal Advice Centres

13 Lower Dorset Street

Dublin 1

Tel: 01 – 872 8048

[www.pila.ie](http://www.pila.ie)

### **SE Toolbelt**

International

[www.setoolbelt.org](http://www.setoolbelt.org)

- *Open content resource hub for social entrepreneurs*

## Glossary

<b>Abstain</b>	▶ To refrain from voting.
<b>Accessible</b>	▶ Easy to approach, reach, enter; obtainable; attainable.
<b>Accountable</b>	▶ Responsible; able to account for policies and actions undertaken; open and transparent.
<b>Agenda</b>	▶ An outline for a meeting, with items to be noted, discussed and voted upon.
<b>AGM</b>	▶ AGM stands for Annual General Meeting; a meeting of all members of an organisation, ordinarily held once a year. Companies limited by guarantee are required to hold an AGM each calendar year and not separated by more than 15 months.
<b>Aims</b>	▶ The specific changes/benefits an organisation is aiming for.
<b>Ancillary</b>	▶ Of secondary importance.
<b>Annual report</b>	▶ A report published by an organisation describing its activities over the past year.
<b>Anonymous</b>	▶ Unknown.
<b>Appraisal</b>	▶ A review, usually annual, especially of staff performance.
<b>Articles of association</b>	▶ Legal document for establishing a company, containing the rules that apply for running the company. Also see memorandum of association.
<b>Assets register</b>	▶ An up-to-date listing of all your assets (equipment, etc).
<b>Audit</b>	▶ Usually, a detailed examination by an 'auditor' of an organisation's financial statements and records for the purpose of determining that they are sufficiently accurate and properly representative. The term can also apply to non-financial information, for example, a skills audit.
<b>Autonomous</b>	▶ Self-governing; independent; subject to its own laws only.
<b>Back-up</b>	▶ To copy computer files in case of loss.
<b>Benevolent society</b>	▶ A type of friendly society used as a structure by a minority of voluntary organisations.
<b>Board of directors</b>	▶ The governing body of a company.
<b>Boundaries</b>	▶ Something indicating borders or limits.
<b>Certificate of incorporation</b>	▶ A certificate provided to companies by the Companies Registration Office.
<b>Charitable Incorporated Organisation</b>	▶ A possible future legal structure for organisations in the community and voluntary sector.
<b>CHY number</b>	▶ A number provided the Revenue Commissioners to organisations with charitable purposes, granting certain tax exemptions.

<b>Cloud computing</b>	▶ Delivering hosted services over the internet (infrastructure, platforms and software).
<b>Code of conduct</b>	▶ A set of principles and expectations that are considered binding on any person who is a member of a particular group.
<b>Collaborate</b>	▶ Organisations pooling expertise and resources in order to be more efficient and effective.
<b>Commensurate</b>	▶ Having the same measure; proportionate.
<b>Community organisation</b>	▶ A local not-for-profit organisation with a community development focus.
<b>Company limited by guarantee without share capital</b>	▶ An organisation incorporated under the Companies Acts and registered with Companies Registration Office with members rather than shareholders; members guarantee a set amount (usually nominal) towards final debts.
<b>Company secretary</b>	▶ By law a company must have a company secretary who is responsible for ensuring all the legal requirements of the company are met.
<b>Complacency</b>	▶ A feeling of security and self-satisfaction, often while unaware of some potential risk.
<b>Comply</b>	▶ To act in accordance with another's command, request, rule, or wish.
<b>Confidential</b>	▶ Entrusted with secrets or private affairs.
<b>Conflict of interest</b>	▶ This can occur if an individual or organisation 'wears more than one hat'.
<b>Consensus</b>	▶ Majority of opinion; general agreement.
<b>Constitution</b>	▶ The governing document of an unincorporated association.
<b>Consultancy</b>	▶ Providing (paid) expert advice/work.
<b>Consult</b>	▶ To seek information or advice before undertaking a course of action.
<b>Contract</b>	▶ An agreement between two or more parties, written or verbal and enforceable by law.
<b>Contractor</b>	▶ A person or company that provides materials or labour for a service or job.
<b>Copyright</b>	▶ The exclusive legal right given to an originator of information or other material to print, publish, perform, etc.
<b>Consortium</b>	▶ A cooperative working arrangement among groups or institutions.
<b>Cooperative</b>	▶ Working or acting together willingly for a common purpose or benefit. Also the commonly used term for an industrial and provident society.
<b>Co-opt</b>	▶ To appoint to a committee on invitation by the current committee.

- Data controller** ▶ A person, defined under the Data Protection Acts, responsible for keeping and using personal information about people, whether on computer or in manual files.
- Deed of trust** ▶ The governing document of a trust.
- De facto director** ▶ A person who has not been validly appointed but who in effect occupies the position of, and acts as if s/he were a director. Considered a director for company law purposes.
- Delegate** ▶ To entrust work to another; a person authorised to act as a representative for another.
- Discrimination** ▶ The less favourable treatment of different types of people.
- Director** ▶ One of a group of persons chosen to control or govern the affairs of a company.
- Diversity** ▶ Difference; variation.
- Dividend** ▶ A sum of money paid regularly by a company to its shareholders.
- EGM** ▶ Extraordinary General Meeting: any general meeting of the members of the organisation that is not the AGM.
- Ethos** ▶ The underlying sentiment that informs the beliefs, customs, or practices of a group.
- Evaluation** ▶ Using monitoring and other information to make judgements on how an organisation, project or programme is doing.
- Equality** ▶ The quality of being the same in value.
- Equity** ▶ Something that is fair and just.
- Executive director** ▶ Company director who is involved in the day-to-day management of the company.
- Exempt** ▶ Free from an obligation or liability imposed on others.
- Fraudulent** ▶ Dishonest in the eyes of the law.
- Friendly society** ▶ An organisation established under the Friendly Societies Acts 1896 – 1977 for various purposes, mostly to provide small life assurance benefits, sick benefits and death benefits to members, to provide benefits to non-members or to promote particular activities or interests.
- Governance** ▶ Taking overall responsibility for the work of an organisation.
- Governing body** ▶ The grouping of people in an organisation who undertake the governance role.
- HACCP** ▶ Hazard Analysis Critical Control Point: a new food regulation from the Food Safety Authority Ireland which has been enforced since January 2006, requiring that all food handlers work to a HACCP plan.
- Headhunting** ▶ Actively searching for new employees or committee members.

- Hierarchical structure** ▶ A structure with a ruling body organised into orders or ranks with each subordinate to the one above it.
- Honorary** ▶ A title or position conferred for honour only (unpaid).
- Impact** ▶ The effect that an organisation has on wider society (that is, beyond its direct users).
- Implementation** ▶ Putting ideas and plans into action.
- Incorporation** ▶ The process by which an organisation takes on legal status.
- Induction** ▶ The introduction and training process for new committee or staff members. Sometimes known as 'orientation'.
- Industrial and provident society** ▶ An organisation incorporated under the Industrial and Provident Societies Acts 1893 – 1978. Most are profit-making and allow distribution of profits amongst members.
- Inputs** ▶ Resources that an organisation uses to further its goals.
- Intern** ▶ A student or trainee who works, often without pay, to gain work experience.
- Liable** ▶ (Legally) responsible.
- Management** ▶ Organising the work of an organisation.
- Memorandum of association** ▶ Legal document for establishing a company, containing the aims and powers of the company. Also see articles of association.
- Minutes** ▶ Written record of the proceedings of a meeting.
- Mission statement** ▶ A short statement of the overall purpose of the organisation, usually concentrating on the difference it wants to make and defining the values that it will work by.
- Monitoring** ▶ Routine and systematic collection and recording of information that can be used for evaluation purposes.
- Multi-agency** ▶ Multiple agencies working together to provide integrated services.
- Networking** ▶ The coming together of organisations to exchange information, contacts and experience for mutually beneficial purposes. Also: linking computers so that they can share data.
- NGO** ▶ NGO stands for Non Governmental Organisation, a term for the various types of charitable, social, civil society and other not-for-profit organisations. In Ireland, the term is used mainly in the context of internationally active development organisations and environmental organisations.
- Nominate** ▶ To propose a candidate for election.
- Non-executive director** ▶ A director who is not involved in the day-to-day management of the company, but nevertheless has the same responsibilities as any other director.

- Objectives** ▶ The practical steps an organisation will take to accomplish its aims.
- Officer** ▶ A committee member with a specific role.
- Operations** ▶ The day-to-day work of an organisation.
- Orientation** ▶ See induction.
- Outcomes** ▶ The changes or benefits resulting from services and activities.
- Outputs** ▶ What the organisation does; the 'service' it delivers.
- Parameters** ▶ Limits; boundaries; guidelines.
- Partnership** ▶ An arrangement between organisations for joint action.
- Policy** ▶ A clear statement of intent about how an organisation will behave over certain issues.
- Presenter** ▶ The person completing Company Registration Office documentation.
- Proactive** ▶ Acting in advance to deal with an expected challenge.
- Proofing** ▶ Assessing the potentially positive, negative or neutral impact of proposals.
- Protocol** ▶ A code of correct conduct.
- PRSA** ▶ Personal Retirement Savings Account, a simplified type of pension.
- PRSI** ▶ A social welfare tax paid by employees and employers.
- Quorum** ▶ The number of members of a group or organisation required to be present at a meeting to transact business legally, usually a majority.
- Quorate** ▶ A meeting is quorate if a quorum is present.
- Ratify** ▶ To give formal consent to a decision, thereby making it officially valid.
- Reasonable accommodation** ▶ Providing special treatment or facilities for people with disabilities if, without these, it would be unduly difficult or impossible to access and use goods/services, or to access, participate in, advance in, and receive training for, employment.
- Reconcile** ▶ To make one account consistent with another, usually used as a financial term.
- Registered office** ▶ The official address of a company.
- Remunerate** ▶ To pay someone for services or work.
- Rules** ▶ The governing document of a friendly society.
- Risk analysis and management** ▶ The process of controlling the activities of an organisation to minimise the effects of risks on it.

- Secondments** ▶ The temporary transfer of a member of staff ('seconded') to another organisation or another department within an organisation.
- Server** ▶ A computer that manages access to a centralised resource or service in a network.
- Service level agreement** ▶ Usually, a contract between a statutory agency and a voluntary organisation to provide services on behalf of that agency.
- Shadow director** ▶ Any person other than a professional advisor, with whose instructions the directors of the company normally comply. A shadow director has many of the legal responsibilities of a director.
- SMART** ▶ Objectives that are **S**pecific, **M**easurable, **A**ttainable, **R**ealistic and **T**ime-bound.
- Social finance** ▶ Provision of loan finance by organisations that seek a social as well as a financial return.
- Social media** ▶ Web and mobile based technologies for interactive dialogue amongst organisations, communities and individuals.
- SORP** ▶ Statement of Recommended Practice: a set of standards issued by the Accounting Standards Board and Charity Commission in the UK. It is mandatory for charities in the UK but not in Ireland.
- Special resolution** ▶ In company law, special resolutions include those seeking a change in the memorandum or articles of association, changing the name of the company or a voluntary winding up. Not less than 21 days' notice must be given of special resolutions. In addition they must be passed by 75% at least of the votes cast by members.
- Staggered replacement** ▶ To arrange replacements in alternating or overlapping time periods.
- Stakeholder** ▶ Any person or body that has an interest in what an organisation does.
- Statement of Guiding Principles for Fundraising** ▶ Voluntary set of principles for organisations that raise funds from the public.
- Statement of terms and conditions** ▶ The formal name for an employment contract.
- Statutory** ▶ Relating to the structures and processes of the state.
- Strategic plan** ▶ The goals for the future of the organisation and the steps necessary to achieve these over a defined period of time, usually three to five years.
- Strategy** ▶ A planned way of accomplishing specific goals.

- Subcommittee** ▶ A smaller committee dealing with specific issues that must report back to a main committee.
- Subscriber** ▶ The original seven or more members of a company limited by guarantee who sign the memorandum and articles of association.
- Sustainability** ▶ Ensuring that an organisation can generate sufficient revenue to be financially viable. Also, adopting environmental policies and practices which minimise the impact of the organisation on the environment.
- SWOT analysis** ▶ A strategic planning tool which identifies an organisation's **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats.
- Tax reference number** ▶ A number provided by the Revenue Commissioners to enable an organisation to deal with tax matters.
- Template** ▶ Anything that serves as a pattern or a model.
- Tender** ▶ Make a formal written offer to carry out work or supply goods at a fixed price.
- Teoranta** ▶ The Irish word for *Limited*, as in a Limited Company. It is abbreviated to *Teo*.
- Terms of reference** ▶ A brief written document outlining the purpose and parameters of a committee.
- Trademark** ▶ Any sign which distinguishes the goods or services of one company or organisation from that of another. Trade marks can be registered.
- Trust** ▶ A body without legal status, usually set up to hold funds or property on behalf of a group.
- Trustee** ▶ Person legally charged with responsibility for a trust and its funds.
- Values statement** ▶ A statement outlining the principles and basic beliefs about what really matters to your organisation and that guide how things should be done.
- Vision statement** ▶ A statement outlining why your organisation was founded and why it has continued to exist; the ideal you are trying to achieve.
- Voluntary organisation** ▶ A self-governing organisation that is separate from government, does not distribute profits to owners/directors and has a meaningful level of voluntary involvement.
- Unincorporated association** ▶ An organisation that has no legal status of its own in the eyes of the law.
- Volunteer** ▶ A person who, of their own free will, undertakes unpaid work for the benefit of others.
- Working group** ▶ A time-limited group set up to progress a specific issue.

## Index

- Accountability** 22, 32, 41-52
- Accounts** 23-26, 45, 49, 57
- Agenda** 24, 26-27, 36
- Aims** 8, 11-12, 20, 32, 35-36, 49
- Annual report** 44
- Annual return** 13, 23, 26
- Audit** 21, 23, 25-26, 28-29, 61
  
- Benevolent society** 10, 12
- Board** (*see Committee*)
  
- Chairperson** 21-24, 26-29, 44
  - Vice chairperson 24
- Charity** 6, 10, 12-15, 17, 20-21, 42, 45, 49, 54, 65, 68, 74
  - Charitable Incorporated Organisation 10
  - Charities Act (2009) 10
  - Charities Regulator 10, 42
  - CHY 6, 14, 20-21, 45, 49
  - Commissioners for Charitable Donations and Bequests in Ireland 10, 12, 17
  - General Scheme for the Charities Regulation Bill 2006 10, 14
- Committee** (*also Board and Governing body*) 11, 15, 19-30, 36-38, 42-44, 47, 58, 61-63, 71
  - External representatives 22
  - Induction 28
  - Recruitment 27-28
  - Subcommittee 11, 21, 26-29, 37-38, 42, 44, 61
- Communications** (*also see ICT*) 41, 43-44, 54
  - Marketing 43
  - Media 46, 61
  - Publicity/public relations 21, 28, 43-44, 46
  - Spokesperson 24, 46
- Company limited by guarantee** 10, 12-14, 21-22, 25-27, 44, 49
  - Companies Registration Office/CRO 10, 12-13, 17, 25-26, 44
  - Company secretary 13, 25-27
  - Use of 'limited' 13
- Complaints** 43, 48, 51,
- Compliance** 12-13, 23
- Confidentiality** 26, 37, 42, 48-49
  - Donor anonymity 49
- Conflict of interest** 22, 27
- Constitution** 10-11, 14, 16-17, 23, 33, 49
- Contract** 10-12, 25, 50, 57-60, 63
- Copyright** 57-58
- Council** 20, 30, 40, 74
- Customer service** 48, 51
  
- Data protection** 42, 48, 57, 66
- Decision making** 20-22, 24-28, 37, 42, 48, 57
- Delegation** 11, 23, 27, 37
- Direction** 31-32
- Directors** 12-13, 20-23, 25-27, 44, 63
  - Director for Corporate Enforcement 10, 12, 17, 27, 30, 42
  - Executive 22
  - Non-executive 22
  - Register of 23
  - Shadow 22
  
- Email** 45-46, 50, 56-57, 62, 71
- Employment** (*also see Staff*) 21, 37, 58-60, 62, 65, 68-70, 72-73
- Equality** 7, 22, 59, 62, 67-73
  - Accessibility 70-72
  - Bullying 7
  - Discrimination 7, 68-70
  - Diversity 37, 71
  - Equal status 68-70
  - Harassment 7, 69
  - Inclusion 68, 71, 73
  - Proofing 71
  - Reasonable accommodation 69-70
- Equipment** 56, 70
- Ethos** 22, 33, 68
- Evaluation** 32, 35-36, 38, 40, 47, 54
  - Key performance indicators 36
  - Monitoring 31-32, 35-36, 38-40, 55

**Finance/money** (also see *Audit and Funding*)

14, 21-22, 25, 27-28, 37, 43-44, 47, 49-50, 54-56, 65, 68, 70

- Financial management 55, 65
- Purchasing and tendering 49, 60

**Freedom of information** 57**Friendly society** 10, 12, 18

**Funding/fundraising** 14, 20-21, 23, 28, 34, 36, 42-45, 49-56, 65-66, 68

- Funders 14, 28, 34, 42-45, 48-49, 54

**Good practice** 7, 10-11, 15, 20-23, 26-28, 32-33, 35-38, 43-50, 54, 56-63, 70-71

**Governance** 19-30, 32, 37, 44, 61

**Governing body** (see *Committee*)

**Governing document** 10-17, 21, 23-28, 33, 49

**Health and safety** 23, 48, 56, 60, 62-63, 66

**Incorporation** 10-14, 25

**Induction** 28, 37, 59-60

**Industrial and provident society** 10, 13-14

**Information and communications technology** 21, 56-57

**Insurance** 11, 63

**Intern** 42, 58, 60

**Law** 6-14, 17, 21-22, 25-26, 28, 43, 48-49, 55-65, 68, 70, 73-74

- Building regulations 56
- Charity 14, 49
- Company 10, 12-13, 17, 21-23, 25-27, 49
- Data protection 48, 57
- Employment 58-60, 62, 65, 68-70
- Equality 62, 68-70
- Freedom of information 57
- Copyright 57-58
- Health and safety 23, 48, 62-63, 66
- Licensing 56
- Planning 56
- Road safety 56
- Trade mark 57-58
- Trust 10-12

**Law Reform Commission** 10, 17

**Liability** 10-12, 63

**Management** 11, 15, 20, 22, 37, 40, 42-44, 46-47, 55-56, 60-66

**Meetings** 11, 20-30, 36-37, 43, 47, 71

- General meetings/AGMs/EGMs 23, 25-26, 28, 47

**Members** 11-15, 20-29, 35-37, 42-47, 52, 54-55, 66, 71

- Register of 23
- New members on governing body 27-28

**Memorandum and articles of association** 10, 12-14, 16-17, 23, 26, 33

**Minutes** 13, 23-24, 26-29

**Mission** 32-33, 35-36

**Newsletter** 23, 45, 47

**Objectives** 13, 21-22, 32, 35-36

- SMART 35

**Officer** 12, 23, 63

**Operations** 20, 35, 37, 54, 61, 68

**Partners** 33, 35, 37, 41-43, 50-51, 58

**Planning** 15, 22, 24, 26, 28, 32-37, 40, 43-44, 46-47, 54, 56, 59-63, 68, 70

**Policy** 7, 22, 26, 28, 32, 36-38, 42, 44-49, 55-57, 59-60, 62-64, 70-71

- Policy makers 42, 45

**Premises** 11-12, 14, 21, 28, 37, 53-54, 56, 63, 70-71

**Quorum/quorate** 11, 21, 27

**Rates** 14

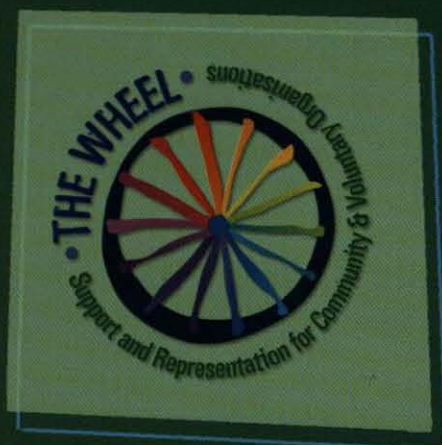
**Registered office** 13, 25

**Regulators** 10, 12-15, 17-18, 21, 25-26, 54-55, 58, 63, 66

- Charities Regulator 10, 14, 42
- Commissioners for Charitable Donations and Bequests in Ireland 10, 12, 17
- Companies Registration Office/CRO 10, 12-13, 17, 25-26, 44
- Director of Corporate Enforcement 10, 12, 17, 27, 30, 42
- Data Protection Commissioner 42, 66
- Food Safety Authority of Ireland 63, 66
- Registrar of Friendly Societies 10, 12, 18
- Revenue Commissioners 10-12, 14-15, 17, 21, 54, 58, 66
- Standards in Public Office Commission 55, 66

- Remuneration and expenses** 20-21, 44, 47, 56, 58-60
- Board 20-21, 44, 47
  - Staff 44, 56
  - Volunteers 20, 60
  - Third party contractors 60
- Reporting** 14-15, 20-21, 25, 28, 38, 42-45, 47-49, 55, 61, 63
- Annual report 14, 28, 44-45, 47, 63
- Resources** 22, 25, 32-33, 35-36, 44, 46-47, 49-50, 53-66, 70-71
- Revenue Commissioners** 10-12, 14-15, 17, 21, 54, 58, 66
- Charity number 14, 20-21, 49
  - Tax clearance 54, 66
  - Tax exemption 14-15
  - Tax reference number 15
- Risk** (*also see Health and safety*) 7, 22, 35, 37, 44, 48, 52, 54-55, 61-63
- Vetting workers 48, 52
- Rules** 10-12, 14, 23, 25
- Secretary** 13, 23-27
- Company secretary 13, 25-27
- Service delivery/users** 8, 15, 33, 35-37, 42-49, 51, 54, 57-58, 70-71
- Social exclusion** 71, 73
- Social media** 46
- Special resolution** 26
- Staff** (*also see Employment*) 11-12, 15, 20-22, 24-29, 35-37, 42-44, 46, 48, 50, 54, 58-63, 65, 68, 71-72
- CEO/most senior member of staff 22, 24, 26, 44, 59
  - Line management 42
  - Pensions/PRSAs 59-60
  - PAYE 15
  - PRSI 15, 58
  - Recruitment 22, 59, 60, 65
  - Representation on board 21
  - Supervision 22, 24, 37, 59, 65
  - Unfair dismissal 21, 60
- Stakeholder** 20, 22, 36, 42-44, 50-51
- Stock** 56, 64
- Strategy** 15, 32-37, 43-44, 50-51, 61, 64, 70
- Structure** 9-17, 28, 44, 46, 58, 68
- Organisational structure chart 28, 58
  - Review 15
- Subcommittee** 11, 20-21, 26-29, 36-38, 42, 44, 61
- Subscriber** 12-13
- SWOT analysis** 35
- Tax** (*see Revenue Commissioners*)
- Terms of reference** 7, 21, 28
- Trade mark** 57
- Training** 28-29, 37, 46, 48, 58-60, 70-74
- Trainees 42, 60, 64
- Treasurer** 23, 25-26, 56
- Trust** 10-12, 14, 16-17, 54, 66
- Unincorporated association** 10-11, 14
- Values** 32-33
- Vehicle** 56, 63
- Vision** 22, 31-33, 35-36
- Volunteer** 15, 20-21, 23, 28, 35-37, 42-44, 48, 54, 58, 60, 63-66, 71
- Voting** 11, 15, 21-22, 27-28
- Abstaining 22, 27
- Website** 36, 46-47, 71, 74
- Working group** 20-21, 28, 37-38





This is the first guide of its kind in Ireland and can be used by any community, voluntary and non-profit organisation, any NGO and charity, regardless of age, size, location and area of focus.

It provides factual information about the legal obligations that organisations in the community and voluntary sector face, as well as practical advice on how they can run their organisations in line with good practice standards.

You can read it from cover to cover, or more likely, you can use it as a reference tool as and when needed.

## The Wheel

48 Fleet Street  
Dublin 2

Tel: 01 – 454 8727

Email: [info@wheel.ie](mailto:info@wheel.ie)

Website: [www.wheel.ie](http://www.wheel.ie)

You can find us on Facebook and Twitter

Charity number: CHY 13288

©The Wheel, Second Edition 2012

Price: €20