



# Farmer Buying Guide

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## What are the advantages of buying as a group?

### It's good for your pocket

By pooling your orders with others, you can buy in bulk, and as the costs to shops or suppliers can be lower if there is a group of buyers you may benefit from significant discounts.

Some people find it difficult to get to supermarkets or other shops which tend to have the cheapest prices. They may also struggle with online shopping; they may not have a computer or might be put off by delivery costs. Joining forces means you can find more convenient ways to get what you need and can share the costs.

Some groups order directly from suppliers, rather than buying in shops, cutting out the middleman. This can mean further savings.

Some things are more complicated than others to buy. Getting the best deal can be harder work in some cases than in others. For example, when buying heating oil, prices change very frequently. The group coordinator can watch the market and buy at the right time. In renewable energy schemes, finding the right supplier takes some time and effort but by buying as a group, you have more skills and knowledge between you.

### It's good for the community

Group buying can bring people together which may lead on to other activities that benefit communities. It can be a way for you to meet up with friends and make new friends with people you might otherwise not come across.



## It's good for learning new skills

Volunteering in a buying group can be a way of getting new skills and experience and developing confidence. For example: being able to speak in front of a group, working in a team to solve problems and developing computer, business, and marketing skills.

## Checklist for setting up a community buying group

- Can I find other people who might share my interest in buying things as a group?
- What can we buy better as a group than we could as individuals (it would be cheaper or more convenient, or we could pool our knowledge about how to buy it)?
- Have we worked out if there are enough people to buy what we want to buy, at at least the price we can buy it for?
- Have we thought about why people will buy through or from us and not from the competition? Have we worked out what resources we need (premises, people, money, equipment)?
- Have we considered how we can find these resources? Could we get things for free or at low cost?
- Have we worked out what all our costs are going to be?
- Have we found out what kind of advice and support may be available to help us?
- Have we found suppliers for what we want to buy?
- Have we produced a plan which shows if our idea has a strong chance of success?
- Have we decided how we want the group to operate? Do we need to decide on formal roles and ways of working? Do we need a legal structure?
- How are we going to market and promote what we are doing? Have we identified our customers and how we are going to reach them?
- Have we worked out how the group will handle money matters? Do we need a bank account?
- Have we investigated how the law might affect our group (especially if it's running on lines that are more like a business)?



## How do we get started?

If you are interested in setting up a community buying group, one of the first steps is to find out if others share this interest and who would be prepared to join together with you. There are a number of ways of doing this:

- Speak to neighbours and friends.
- Make contact with community organisations, clubs, societies, church groups, parent and toddler groups, parish councils etc
- If you are already in a group of some kind, this could be a good place to start. For example, colleagues who work with you or other parents at your child's school.
- Advertise locally via parish magazines, local websites.
- Use social media networks such as Facebook and Twitter.

You may want to gauge interest by arranging a meeting, for example, at someone's home or a room in a community centre or village hall. You can put forward initial ideas about what the benefits of forming a group would be, and ask for reactions and suggestions. What would people like to consider buying together? And what aspect do they want to focus on: convenience, price, service, quality? Would people be willing to volunteer?

It's a good idea to get someone to record the key points of the meeting, including names and contact details of those attending. People can also be asked if they have any particular skills or experience to offer, for example, computer and IT skills, managing finances, promotion and marketing etc.

To find out about how food co-operatives work, see: [Food Co-ops toolkit | Sustain \(sustainweb.org\)](https://www.sustainweb.org/food-co-ops-toolkit/)

## So what are the next steps?

The group needs to make some key decisions at the outset.

- Do you want a formal system of members? If so, should anyone be able to join or should it be restricted to specific sections of the community (for example, parents at a school, or people living in a particular area)? The larger the group, the more likelihood there is of achieving savings, but the very size could prove unwieldy. Conversely, a smaller group is easier to manage, but its purchasing power will be smaller too.
- What is the best way to communicate with each other e.g. email, phone call, texting?
- Do you want to charge a fee to join the group to help cover costs? Be careful not to set it so high that it could put people off joining (you could offer people free



membership in some circumstances).

- Should any members be allowed to get any personal financial benefit (for example, should they be compensated for the time they spend organising things?). This may help your group to be sustainable in the longer term. It is important that any personal financial benefit is agreed and that the rest of the group knows about it from the start. Equally, if your group agrees that they don't want anyone to benefit in this way, it should be made clear to members.

Do you just want to sell to your members only or to the public more widely? You will need to think about this when **planning your project**. You might want to offer your members bigger discounts to encourage them to join.

Some groups may not want a formal committee or the paperwork involved with formal meetings. But it can be an advantage to have clear roles for different people, such as who is going to be responsible for chairing meetings, keeping records of key decisions, managing finances, recruiting members and keeping records of their contact details.

It's a good idea to consider, particularly if your group gets bigger, whether you want to make your purpose, structure and rules more formal. (**See How do we organise our group?**).



## How do we plan our project?

It is important to decide what the goals for your group are; consider whether it's feasible to achieve them, investigate different options for making it work and plan how you are going to put your project into effect. The key questions to consider are:

- What need or demand is there for what you want to bulk buy?
- What should the group buy and how much?
- Who should the group buy from?
- If you are planning to buy and sell on, how are you going to sell what you've bought?

One of the first things to consider is whether people are likely to buy through your group and, if so, how many? What do they want and need? And will your group suit their needs? A large number of people need to want or need something similar, for you to buy in bulk and save money. It's important to find out if retailers are already supplying what you plan to sell at a price or quality or convenience that you can't improve on.

This means consulting people or doing some market research. You will need to speak to people who would be your customers to find out if they want and would use the group.

There are lots of ways to do this. It doesn't have to involve a lot of time or any money. It could be done through informal conversations with friends and neighbours, a questionnaire, holding a public meeting or focus group, or using online forums.

It's a good idea to do more thorough and systematic market research if your project is large scale and ambitious (and this may cost some money). And if you want to apply for funding for your group, you may need the results of market research to show convincingly that the group would work and would benefit people. You may be able to raise some funds to pay for market research (for example, to pay for a trained facilitator to run a consultation event or focus group). **(See Raising money).**

The kind of questions you need to ask people will depend on the focus of your group but are likely to include:

- Do you have any problems buying certain things? For example, they are expensive, you can't get to the shops, or you don't know enough about how to go about buying them.
- How important are those things to you?
- Would you be likely to use this group?
- What things would you be likely to buy?
- Where do you buy these things now? How much do you spend on this at present?



- What would the group need to do to persuade you to change your buying habits?
- How much would you be likely to spend through the group?
- How would you want to make purchases (e.g. if you are setting up a shop, what days and times would people come to buy; what location would be convenient?)

You can also ask if people would be interested in volunteering or getting involved in running the group and the best way to communicate with people (for marketing purposes).

In addition, talk to people who are already active in the local community and to local public services to find out their views on what is needed and what resources there might be to help your group succeed.

**Tip:** *Don't raise people's expectations too highly about what can be achieved or the levels of savings they are likely to get.*

Map out resources that could help you in your area:

- Community buildings and other facilities, such as computer equipment, that you might be able to use
- Groups already in existence in the community (e.g. clubs, classes, churches) who might want to work together with you, buy from you or help promote your group.
- Where you might be able to get **training or access to skills**.

You will also need to find out about businesses that can supply you with your product or service, what they are selling and how much for. (**See Suppliers**).

And is there anyone else doing what you want to do in your area? If so, should you join up with them? Or do you offer something a bit different or extra?

Once you have done your research, it is useful to produce an action plan setting out:

- What you are going to do
- How you are going to do it
- Who is going to do it
- When and where
- What resources you need to do it (e.g. money, premises, skills) and where you will find them.

For a useful and simple template for an action plan see:

[www.sustainweb.org/foodcoopstoolkit/planning](http://www.sustainweb.org/foodcoopstoolkit/planning)



You need to work out how much the costs are likely to be and take this into account when considering the feasibility of your plan.

If your group is large scale and you want to apply for large amounts of funding, then you may need a more detailed business plan. For a business plan template see [www.sustainweb.org/foodcoopstoolkit/planning](http://www.sustainweb.org/foodcoopstoolkit/planning)

You might want to put some short-term goals in your plan that will help you reach your objective – for example, recruiting a certain number of volunteers.

## Suppliers

You will need to find businesses that can supply you with the product or services you are interested in. You will want, preferably, to find businesses willing to give a discount for bulk buying.

Suppliers include:

- Wholesalers and cash and carries. They usually only sell to businesses. To register for a trade card, which allows you entry, your group would generally need documents such as a bill, invoice or VAT receipt. Community buying groups who don't have these documents and would like advice on how to register should contact the Federation of Wholesale Distributors <https://www.fwd.co.uk/> at [nikki@fwd-uk.com](mailto:nikki@fwd-uk.com) or 01323 724952.
- Retailers (who offer a discount or have cheap deals).

How you identify suppliers and deal with them will vary a lot depending on what it is you are buying. However, it is very likely to involve negotiating with the supplier to get the best deal. As you are buying in bulk, this gives you an advantage when asking for discounts.

However, price is not the only factor when selecting who to buy from. Other factors include reliability and good customer service. Think about what requirements you may have in addition to price and find out if suppliers can meet them. Building a good relationship with your supplier is also important.

**Tip:** *If you have a number of potential suppliers ask them all the same standard questions so you can compare their answers easily.*

Talking to businesses helps you learn about the products or services you are buying, which will help you run your group.



Don't just negotiate on price as this can potentially lower quality. Being prepared to switch suppliers, or having more than one supplier, can encourage them to keep prices down. On the other hand, building and keeping a good relationship with one supplier may help you to make sure that you continue to get what you want from them.

The price of some goods or services may go up and down frequently (e.g. certain fruits and vegetables, heating oil). To get the best deal, you will need to keep an eye on price changes to pick the right time to buy.

Example: the R Shop Bulk Buying group looks out for multibuys and special offers on household goods from supermarkets, and stockpiles them to sell in their shop.

Food co-operatives buy food from a range of sources including local wholesalers and wholesale markets, whole food suppliers, farmers, and sometimes retailers. It is worth asking local retailers if they will offer a discount for a bulk order, especially if you can commit to buying from them regularly. For more information on food suppliers, see [www.sustainweb.org/foodcoopstoolkit](http://www.sustainweb.org/foodcoopstoolkit)

If you are buying something relatively complex and expensive (such as equipment) you will need to do in-depth research into what different suppliers offer. To select your supplier it's a good idea to carry out a tendering exercise where you ask a number of suppliers to bid.

## Tendering

With a tendering exercise, you identify what your requirements are, set them out on paper and ask suppliers to submit bids. You assess the bids according to standard criteria.

It's a good idea to do some preliminary investigation of suppliers first, and narrow down the number you ask to bid. That saves time having to assess lots of bids (and saves suppliers their time too).

It's good practice for a number of people to assess bids rather than just one person. Having several people means they notice different elements of the bids that one person might miss. The group can collectively get a better understanding of bids by exchanging views.

In heating oil clubs and some solar energy groups, while the group's organiser negotiates the deal with the supplier on behalf of members, it is the responsibility of each individual member to pay the supplier. The organiser does not have to handle money, making things simpler. This can also help to ensure that group members benefit from **consumer protection legislation**.

If the supplier still needs to process payments separately, this can reduce its cost savings and therefore the savings for your group. If you are buying something very expensive, though, this reduction in savings would make little difference.





If you do take this option, you will still need a clear agreement with the supplier about what it will provide to your group's members. Members need to be clear about payment arrangements too.

You may want to consider whether or not you want the agreement (e.g. a Memorandum of Understanding (MoU)) to be legally binding. If you want to be able to make a claim against the supplier if things go wrong, then you will need the agreement to be legally binding. It may be fine to have an agreement which is not legally binding, if you think you would never want to bring a claim. An agreement doesn't have to be written down to be legally binding. The simplest way to make your intention clear, though, is to write in the agreement whether or not it is intended to be legally binding.



## How should we organise our group?

It's a good idea to consider, particularly if your group gets bigger, whether you want to make your purpose, structure and rules more formal.

The lack of a written agreement may be a hindrance. For example, members may be uncertain about what the group is setting out to achieve and how you are going to operate.

If the group wants to open a bank account or apply for funding, you are likely to need to provide governing documents such as terms of reference, a written constitution, or a statement of your rules and aims and objectives. A bank or lender will want to know precisely who they are dealing with.

These documents set out what your group has agreed, for example, on who can join, the roles and responsibilities of group members, how decisions will be made, how any funds will be used, etc.

There are standard templates that tell you what you need to consider. (**See Annex B and C**).

It could be helpful to seek advice on how the group should operate from other organisations, such as other similar groups. But to be lasting, the group must be responsible for running itself. Having some written documentation about how the group operates and decision making can help groups continue running in the longer term.

## Legal structures

These are legal forms which your group may want to adopt, particularly if it gets bigger and more ambitious. The law can affect you in different ways depending on what you have chosen. One of the main decisions is whether to be unincorporated or incorporated.

### Unincorporated

Unincorporated associations are an informal structure of people who have come together for a particular purpose. An unincorporated association can operate with terms of reference or written constitution. Operating as an unincorporated association means that if it experiences financial difficulties, members are personally liable for the debts of the group.



## Incorporated

With most incorporated bodies, on the other hand, members automatically have limited liability. That is, members will not have to bear all the costs if the group faces financial difficulties. As the group gets bigger, it may take bigger risks and so the advantages of incorporation increase. There are different types of incorporated body which include:

- Limited Company – this corporate legal structure can be adapted to suit most purposes. Directors manage the business on behalf of its members, whose liability is limited by guarantee or by shares (companies limited by guarantee are often used for social or not for profit enterprises, whilst companies limited by shares are normally used for companies which are intended to be profit making).
- Community Interest Company – a limited company which exists to provide benefits for the community.

Both have to be registered with [Companies House](#).

## A Co-operative

Your group might also want to consider becoming a co-operative. They can take a number of legal forms. These include the Industrial and Provident Societies (IPSs) which are incorporated legal forms. There are two types of IPS.

- The IPS Co-operative: Its basic characteristics are one member, one vote; if profits are shared between members, they must be shared equitably and there must be no artificial restrictions on membership.
- Community Benefit Societies, similar to IPS Cooperatives, but have a requirement to primarily benefit people other than their members.

The advantage of both forms is that they guarantee members' rights and democratic decision making. They are both registered with the Financial Services Authority. Co-operatives sign up to the principles of the International Co-operative Alliance.



<b>Forms of organisations</b>			
<b>Type of structure</b>	<b>Informal buying club</b>	<b>Unincorporated</b>	<b>Incorporated</b>
<b>What it is</b>	A group of individuals coming together for a particular purpose. No formal agreement about objectives, roles or how it will work.	A group of individuals coming together for a particular purpose but has a terms of reference or written constitution. It is not a separate entity. Includes some cooperatives.	Registered as a separate entity – often a company – and so recognised as having an identity in its own right (i.e. has rights and duties separate from its members). Various forms e.g. Limited Company; Community Interest Company, and IPSs.
<b>Advantages</b>	Flexible and easy if your group is new or small and you aren't taking any financial risks. No costs or administration.	Still relatively easy and flexible. No paperwork to submit to external regulators and you don't need to inform anyone. Little or no start up costs.	Protection for members if group gets into financial difficulties or has other liabilities. So useful if your group is taking risks such as borrowing money, leasing premises, taking on employees.



<p><b>Disadvantages</b></p>	<p>Could cause problems if unclear what group is trying to achieve and how it operates . Could be a barrier to raising funds and opening a bank account.</p>	<p>No protection for members if group gets into financial difficulties or incurs other liabilities. Because it is not a separate legal entity, it can't own property or enter into contracts (though its members can do so).</p>	<p>Some administration and cost. Potentially more responsibilities for complying with legal requirements. Need to appoint officers who will have legal responsibilities.</p>
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The legal form you take will have implications for your legal responsibilities. If you form an incorporated body, you are likely to have more administrative responsibilities. It may also be more likely that that body is found to be carrying on a business, which may have implications for the application of consumer protection legislation. However, the legal form is not decisive as to whether a business is being carried on. (**See Community Buying Groups and the Law**).

For further guidance choosing a structure for your social enterprise see: <https://www.gov.uk/set-up-a-social-enterprise>

For more detail on the pros and cons of different legal structures, and whether to be incorporated or unincorporated, see: <https://www.resourcecentre.org.uk/supplier/getlegal/>

Get Legal is a free online reference and decision making tool for charities, social enterprises and co-operatives which aims to demystify issues such as legal forms.

The Co-operatives UK guide: [uk.coop/resources/simply-legal](http://uk.coop/resources/simply-legal)

For information about how to become a cooperative, and advice and training available, see: <https://www.uk.coop/start-new-co-op/start>

## Charities

Being a charity gives a legal status; it's not a group's legal form. Operating as a charity has tax advantages and can help fundraising. But registering as a charity imposes some regulatory requirements and may reduce flexibility. There are also restrictions on the type of trading a charity can engage in (unless the charity has a trading subsidiary).

Find out more from Charity Commission the regulator and registrar of charities in England and Wales [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk) and the Office of the Scottish Charity Regulator <https://www.oscr.org.uk/>



**The People's Food and Farming Alliance**

for The People, by The People



# How do we run our group?

This section covers:

- Premises
- Resources and equipment
- Administration
- Volunteers

## Premises

Depending on the focus and scale of your project, you may not need premises. A small group can run in someone's home or you may operate as an online or telephone network. But you may need storage for goods and a place to sell them and/or want to be open to large numbers of people. In which case places such as schools, church halls, community centres and other community buildings could be suitable locations.

Things to consider are:

- Location: will your customers find it easy to get to?
- The rent: ideally you want a venue that is free or cheap. But some community organisations may rely on income from renting rooms. So you will need to sell the benefits to the organisation of letting you have rooms for free, for example, by attracting people who will use other services or activities.
- Storage and/or selling space: how much do you need and how much is available?
- Whether people already use the venue: if your group operates at a place and time where people already meet, then it will help you to reach out to people who might buy from you or join your group.
- Access to a computer, printer and photocopier: will the venue provide this? How much will they charge?

See also **Community buying groups and the law – Renting business premises.**



## Resources and equipment

What you need will depend on the focus and scale of your group and whether you are handling cash.

- Cash box or till – you may not need a till if you operate on a small scale but it's quicker and easier you have a lot of customers.
- Calculator
- Access to phone, computer and printer and photocopier machine.
- You can use a member's car although if your group gets bigger then you may consider raising funds to buy a vehicle. You will need suitable insurance. Even if you are not buying a vehicle for the group, you may need to check that the insurance for a member's car would cover the group's purposes. Alternatively, you could use a carclub. For more details of carclubs (which include both commercial and community operators) see <https://www.co-wheels.org.uk/>
- Other equipment. If you are selling food, you may need equipment such as scales, bags, boxes and shopping baskets (see [www.sustainweb.org/foodcoopstoolkit](http://www.sustainweb.org/foodcoopstoolkit)). You can ask local businesses to donate equipment or can I out for or advertise for equipment (new or secondhand) on <https://uk.freecycle.org/>. Freecycle groups match people who have things they want to get rid of with people who can use them.

For more details on ways to fund equipment see Raising money section.

## Administration

It's good to have clear and simple procedures that everyone knows about and are easy to follow.

In some groups, customers need to order what they want in advance so that you know how much to buy from suppliers. You will need to develop a procedure for collecting and recording orders.

You also need to consider what the arrangements are for customers to pay you (or the supplier, if they pay the supplier directly). This should include whether the customer will have to pay part or all of the cost if they cancel an order. You should make these arrangements clear to your customers in advance.

Options include taking orders by email, phone, using paper order forms or a community website or Facebook page. If people don't have or use a computer:

- A volunteer can coordinate orders on their behalf.





- Someone can 'buddy up' with them to help them use a computer.

When collecting orders, give people enough advance notice to respond to you.

**Tip:** *When you order from suppliers, it's a good idea to order by email if you can, so everything is written down in case of problems.*

## Volunteers

If people volunteer their time for free it is possible to keep costs low. Many people say they enjoy and gain a lot from volunteering, including meeting new people, making friends, getting more confidence, developing new skills and gaining experience that can be used to get a new job.

It's important to consider the time needed to set up and run the group, especially if you are one of the key people involved. Time will be needed for administration and coordination, liaising with public services; PR and marketing; dealing with customers and suppliers; and possibly fund raising. Be realistic about how much time key people can commit to the group (and if that time is limited, this may be a good reason for keeping the group a manageable size).

Groups often have a core team of people who set up and run them. But you may need other volunteers to help out (and to make sure they get and stay involved it is a good idea for them to become group members). The group needs to think how to involve volunteers so that the work is shared out, as relying on one person can mean they get overloaded and the group could collapse if or when that person moves on.

Some points to consider are:

- How many volunteers you need
- Whether there are specific tasks and roles you want to match volunteers to
- How to recruit them such as through your local support and development organisation, often called a Voluntary Action or Council for Voluntary Services. **Reach** Matches skilled volunteers to voluntary organisations <https://reachvolunteering.org.uk/> and Time Banking links people locally to share their time and skills <https://timebanking.org/>

The Institute of Chartered Accountants in England and Wales also advertises voluntary roles to its members free of charge and will be a good way of sourcing volunteers with financial management experience. See [www.icaew.com](http://www.icaew.com).

- Whether you require a minimum contribution from them (e.g. number of hours per month).



- Whether you are going to interview volunteers, give them an induction, and set out the role and expectations in a written agreement. If you have lots of volunteers, you may want someone to coordinate them.

You need to consider:

- If you pay volunteers' expenses then a wider range of people can participate. However, you need to be careful because paying more than out of pocket expenses can affect entitlement to state benefits and the amounts could be taxable. It is safest to pay only volunteers' direct costs such as travel to and from home.
- Under certain circumstances, you might be creating a contract of employment with the volunteer. Certain responsibilities would then start to apply. For further information, see sections on how the law applies to **employees and volunteers**.
- You may need to take out **public liability insurance** in case the volunteer has an accident
- There are potential health and safety requirements, particularly if your group also employs people. See also Community buying groups and the law.

See also **Community buying groups and the law**.

For more information about volunteers and standard templates that you can use to help you manage them, see: [www.sustainweb.org/foodcoopstoolkit/volunteers/](http://www.sustainweb.org/foodcoopstoolkit/volunteers/)



## What about money?

Community organisations often give the main day-to-day responsibility for finances to one person (the treasurer). However, everyone running the group should share responsibility for making sure money is looked after.

If your group is quite small or members pay the supplier direct, your financial administration will be relatively simple. This section tells you about the basics as well as other topics you may need to know about if your group gets bigger or more complex.

This section tells you about:

- Opening a bank account
- Planning and keeping track of money
- Ways for customers to pay you
- Costs and prices
- Raising money
- Tax and business rates
- Further information and sources of advice

### Opening a bank account

You may not need one:

- If you are running a small scale group which only deals in cash
- If you are running a group where members, rather than the group, each pay the supplier direct

But without a bank account:

- You will be limited to buying from suppliers who take cash (unless group members pay suppliers directly)
- Relying on cash has risks such as money going astray.



- You won't get the advantages of having a bank account such as a cheque book or internet banking.

You will need a bank account if you want to make applications for funding.

Your first port of call should be to go into a local bank branch and speak to a member of staff about the options available to you at that bank. Many banks offer accounts that are tailored for community and voluntary organisations, charities and co-operatives. Some banks also produce online guides to finance for community organisations and treasurers.

Make sure you shop around. Many banks offer different services and accounts with varying features. Ensure you've satisfied yourself and the rest of the people in your group that you have had a chance to understand what options are out there for you.

What to think about when opening an account

- You may want to consider nominating at least two people who can authorise withdrawals (such as cheques). Some banks allow several signatories on to an account. Speak to your local bank to understand what they offer.
- Are you happy paying for services that a bank offers? Make sure you compare the services offered by different banks and understand if there are charges that come with them and how those are applied.
- Do you want internet, post or phone access? Ask your bank about the safest ways to authorise withdrawals and other transactions.
- Do you want direct debit and credit facilities (paying suppliers directly)? If so, you will need good financial and accounting systems.
- If you have lots of cash, consider what interest the bank pays on the money (it may not be much if you get free banking). You may want to open a separate deposit account paying a higher rate.
- Some community buying groups run in partnerships with others, such as with local authorities and they may be able to open up a bank account on your behalf.
- Talk to your bank about their relationship managers. They will be available to support you once you've opened an account and can provide information on many things such as managing your cash flow and how to save money.

## Planning and keeping track of money

It's a good idea to plan what money you will need and how you will use it. Unless your group is extremely small scale, this means drawing up a budget, say, for the next year ahead. You will also need to control how money is received and spent. For example, keeping records of



everything you spend and the income you receive. Keep track regularly of how the finances are going and how much cash you have.

The larger scale and more ambitious the project, the more sophisticated budgets and controls needs to be.

You will need systems for handling money and keeping records of what you spend, orders, sales and of members and customers' contact details. If you are keeping personal data on members, customers or volunteers, then you will need to comply with requirements of the **Data Protection Act**.

Information Commissioners' Office: <https://ico.org.uk/>

The budget should cover all your costs, including stock, transport, photocopying, volunteer expenses etc. You should also keep receipts and invoices.

You can keep records on paper or use a computer spreadsheet such as Open Office/Libre Office Calc (which are available for free) or Microsoft Excel. The advantages of using a spreadsheet are that it can be e-mailed to members; it is in a standard format and it will calculate for you, for example, your total sales or what you have spent. However, you will need access to a computer and software and will need someone with IT skills to use it. You may be able to get **training**.

However you decide to do it, make sure you have a copy of your records (back-up computer or paper copy).

A more ambitious option would be an on-line ordering system. Your customers will need to have internet access and it would be more expensive for you to run.

It is a good idea for more than one person to have access to, and be able to use, the finance system, in case the main person managing the finance is ill or away.

If you are going to apply for funding, it is important to have good financial records as funders may want to see your accounts.

## Ways for customers to pay you

If customers are paying directly into your group's bank account, then they can pay you by cheque or, if it is a regular payment, by standing order. But if customers don't have a bank account and are paying by cash, your group will need simple procedures to make sure it doesn't run into problems. Everyone handling cash will need to know these procedures. For more detailed information on procedures for handling cash, see the Food Co-ops Toolkit. Many banks also provide guidance for treasurers.



## Costs and pricing

Consider whether you need to add a mark up to the price that you buy the goods for, to cover your costs. You may not have many costs, especially if you are operating out of someone's house and/or it's a small scale group.

Some groups charge a fee to members to cover expenses. This needs to be clearly communicated to members.

Costs can include:

- Stock
- Rent
- Insurance
- Volunteer Expenses
- Buying and replacing equipment
- Office expenses (use of computer, photocopier, fax, stationery, telephone etc)
- Transport costs
- Promotion and marketing

**Tip:** *The Institute of Chartered Accountants in England and Wales advertises voluntary positions to its members free of charge and will be a good way of sourcing volunteers with financial management experience.* <https://www.icaew.com/icaew-careers/icaew-volunteering-hub> .

## Raising money

Not all community buying groups need to raise funds or seek finance; for example, if you are running a small scale group from home, or have use of resources such as a community venue or computer equipment for free or low cost. In some cases, you may be able to use the income from your sales to cover any costs. Raising funding can in itself cost money and may involve risk.

If, however, you do want to get additional funds, for example, to expand your activities, there are a number of options:



Local support agencies for the voluntary and community sector: they can help you to identify and approach potential sources of funding. To find one near you, contact your local authority or see the National Council for Voluntary Organisations

The National Association of Voluntary and Community Action (NAVCA) provides local support and development organisation for voluntary and community groups, which can provide people, support and resources to help get your initiative going. It has a searchable directory of local support organisations in England. [Find a member \(navca.org.uk\)](http://navca.org.uk)

The equivalent organisations in Scotland, Northern Ireland and Wales are:

- Scottish Council for Voluntary Organisations (SCVO) [www.scvo.org.uk](http://www.scvo.org.uk)
- Northern Ireland Council for Voluntary Action (NICVA) [www.nicva.org](http://www.nicva.org)
- Wales Council for Voluntary Action (WCVA) [www.wcva.org.uk](http://www.wcva.org.uk)

The National Council for Voluntary Organisations (NCVO) provides advice on how to find funding for your community group, organisation or charity <https://www.ncvo.org.uk/help-and-guidance/funding-income/#/>. Other sources of information about grants are local Citizens Advice offices, libraries and local authority websites.

**Business sponsorship:** local businesses may be able to offer cash or benefits such as promotion and marketing, equipment or expertise. For example, they might promote your buying group to its employees. The businesses will benefit from good PR and goodwill.

**Loans:** from a bank, building society etc: You will need to be able to repay the loan and any interest payment from your income, so there is some risk.

**Community Development Financial Institutions:** these provide loans to people and businesses which have problems getting finance from mainstream lenders. Some also offer business support and financial advice. As with taking out any loan, there is some risk involved. See [www.cdfa.org.uk](http://www.cdfa.org.uk).

**Grants:** from central and local government, the National Lottery and charitable trusts. You will need a written constitution and bank account. If you don't have these yet, you may be able to apply via another organisation you are working with, such as a school or community organisation. Funders generally want to support new activity, rather than pay for on-going running costs, so it is important to consider how you will manage once the money has run out.

In all cases of funding it is important to be clear what, if any, legal obligations are required in return for the funding, and who will be responsible for meeting these obligations.



## Tax

The way in which tax applies to your group will depend on its precise structure and the activities your group engage in. This guide provides an overview of possible tax implications that may or may not apply to your group. For specific advice tailored to your group you can contact <https://www.gov.uk/government/organisations/hm-revenue-customs>.

### Value Added Tax (VAT)

VAT is charged on most goods or services:

- supplied for consideration,
- by way of business,
- where the supplier is VAT registered.

Bodies have to register for VAT only when their sales exceed a certain threshold, which in 2023 is £85,000. The HMRC website will give the latest figure. Bodies making taxable supplies at a level below this amount can apply to HMRC for VAT registration on a voluntary basis.

Bodies that are VAT registered and supply goods or services which are subject to VAT can, with certain exceptions, recover the VAT paid on the goods and services they purchase for their business. They must also account to HMRC for VAT charged on goods or services they sell.

#### ***Will my group be considered a business?***

For VAT purposes, the term 'business' has a wide meaning, which is more concerned with how regularly supplies are made than with matters such as intention and profit.

It is unlikely that an unincorporated group of individuals, which has simply formed to take advantage of stronger purchasing power and only buys goods and services for its members, will be regarded as conducting a business activity for VAT purposes. It will, therefore, have no requirement or entitlement to register for VAT.

It is possible that a group incorporated as a company could be making taxable supplies of goods and services to its members, but this is not conclusive.

People thinking about forming groups are advised to seek advice on VAT from HMRC. You should be especially careful to ensure that bulk ordering does not lose the advantage of any relief from VAT that might be otherwise available.





## Tax on profits made by your group

Corporation tax or income tax may need to be paid on the profits made by your group.

The direct tax treatment of a group of individuals will depend on the structure adopted by your group and the specific nature of its activities and it is possible that your group may not be required to pay tax at all.

For further guidance on and how tax may affect your group see below:

<https://www.gov.uk/government/organisations/hm-revenue-customs>

Information on VAT: <https://www.gov.uk/topic/business-tax/vat>

Information on Corporation tax and its effect on informal groups and unincorporated associations: [www.hmrc.gov.uk/ct/clubs-charities-agents/clubs.htm](http://www.hmrc.gov.uk/ct/clubs-charities-agents/clubs.htm)

General information on corporation tax: <https://www.gov.uk/topic/business-tax/corporation-tax>

Information on income tax: <https://www.gov.uk/topic/personal-tax/income-tax>

## Business Rates

Business rates are paid by occupiers of most non-domestic premises including shops and offices. Many groups will get free use of, or rent a room from, community organisations and so won't have to pay business rates. However, if a group is the main occupier of non-domestic premises then business rates will apply. Some groups may be able to apply for relief, for instance, if they are a charity or non-profit organisation. Rural businesses such as a local village shop may also obtain relief.

Further information on business rates and associated reliefs: <https://www.gov.uk/apply-for-business-rate-relief>

For Scotland: <https://www.mygov.scot/non-domestic-rates-relief>

## Charities

If a group is registered as a charity, it will receive some tax reliefs and be exempt from paying some taxes. Further information on charities and their tax liabilities: <https://www.gov.uk/charities-and-tax>



## Other Information and Sources of Advice on Money Matters

Insurance: See **Community buying groups and the law**

Community Accounting Plus is a charity set up to help other public benefit organisations manage themselves well in all areas of accounting and finance <https://www.caplus.org.uk/>

Community Accounting Services exist all over the UK, and their aim is to help local charities to manage their finances. They provide affordable support to charities on many areas of finance: <http://smallcharityfinance.org.uk/community-accountants-network/>

Also ask whether any local accountancy firms would be willing to give you free or low cost advice.

Your local support and development organisation for voluntary and community organisations may provide training on finance. To find one near you, contact the National Association of Voluntary and Community Action (NAVCA), which can provide people, support and resources to help get your initiative going. It has a searchable directory of local support organisations in England. [Find a member \(navca.org.uk\)](http://www.navca.org.uk)

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## How do we market and promote our group?

Think about marketing from the start. If what you are buying, or buying and selling, or how you do it doesn't appeal to customers your group won't succeed. That's why initial research is so important to identify the people who are most likely to buy through or from you (for example, families with young children). See **Planning your project** section. You will also need to ensure it is being bought, or bought and sold, at a price that people will pay while still covering your costs.

There are a number of different ways to promote your group and to sell its benefits. You should think about how to reach your particular target audience most effectively (and at least cost). For example:

- Set up a Facebook Page
- Visit local clubs and groups to talk about your project
- Use notice boards for example in libraries and health centres or put a notice in a shop window
- Use newsletters (paper or email)



- Give out information at community events and local markets
- Create your own website (for example, you could make and upload a short film).
- Use local media (newspaper, radio, websites)
- Use local email groups
- Run a launch event or special promotions

If you don't want your group to get too big (so that it stays manageable), then you might want to limit how widely you publicise it.

***Tips:*** Find out how your potential customers currently get and receive information, and what works already for them.

Get feedback from your customers – for example, what do they like about the group? Can they think of any improvements?

## How do I develop new skills?

Community buying groups are an excellent way to get new skills in setting up and running both a community organisation and a business. These skills include:

- Computers and IT - Business planning
- Teamworking
- Managing money
- Fundraising
- Research
- Managing a project
- Communications
- Sales, promotion and marketing (e.g. producing leaflets or posters, speaking to an audience about your group, creating a website)

You may be able to find free or low cost ways of training or other help with developing your skills. Learndirect offers online learning in subjects including Computers and IT, and a range of business skills. [Online Training Courses & Qualifications | learndirect](#)

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# Community buying groups and the law

This section covers how the law could affect you. It covers:

- Renting business premises
- Your responsibilities for complying with the law
- Further sources of legal advice

The need to comply with the law should not usually be regarded as a burden which puts anybody off forming or expanding a community buying group. There are of course very many successful groups which have not been held back by these issues. It is mainly a question of awareness, taking low cost advice where needed and taking a common sense approach to compliance.

## Renting business premises

You may not need to rent premises if you can get free use of a room or rent one in a community organisation. However, if your group becomes large and well established, it may wish to rent more permanent premises. The local council may have a register of suitable premises.

### If your group operates in England and Wales

Licence agreements are flexible, short-term (typically lasting up to two years) and usually much less onerous than a lease. Licence agreements are easier to terminate at short notice by either the tenant or the landlord. This can be an advantage as the group will not be tied down to the premises but means the landlord can end the agreement with little warning.

With lease agreements, you are likely to be bound to occupy the premises for several years. There may be quite onerous maintenance and repair obligations along with other restrictions. If your situation changes and you want to move on you may experience difficulties, it may be difficult to find a replacement tenant and therefore you may still have to pay rent and other outgoings even if you are no longer occupying the premises.

For further information on renting business premises: <https://www.gov.uk/renting-business-property-tenant-responsibilities>

### If your group operates in Scotland

There is not the same distinction as in England and Wales between licences and leases but your group will have a choice over the length of its lease. Your group should look at the terms of the lease carefully to make sure it meets the needs of your group and does not impose any obligations that your group can't or won't want to comply with.



## Complying with the law

Community buying groups – particularly those which become bigger and more ambitious or operate as a business – will have various responsibilities for complying with the law. Whether or not you become an incorporated body is only one factor that affects a group's legal obligations. Informal buying clubs and unincorporated associations must also comply with the law that applies to them, but may be less likely to take steps – such as becoming an employer – that give rise to additional legal obligations.

This guide includes pointers to some of these obligations, but it isn't a complete list and can only be very general. You may need to get legal advice on your particular circumstances. Sources of low cost advice can be found at the end of the guide.

### Consumer Protection

Various laws protect consumers when they buy goods and services from businesses. For example, the law requires that products must be fit for purpose and of satisfactory quality and that contract terms must be fair. If you buy something that is faulty, you can get a refund, replacement or repair from the supplier.

Some groups ask one or more individuals to negotiate on behalf of the group to buy goods or services but the final contract of sale occurs directly between the business supplying the goods or services and individual group members. In these circumstances, the purchasing group member will be protected by consumer protection legislation and can go directly to the supplier if they experience any problems. This is a relatively straightforward approach to take.

Where, on the other hand, there is a contract of sale between the supplier and the group, it may help if you are clear as a group whether the group is simply buying things on behalf of the members, or whether it is buying and then selling things in its own right (and so, for example, taking the risk if there is unsold stock).

Where members of a group or the general public buy directly from the group itself, how consumer protection legislation applies will depend on the circumstances. It will largely depend on:

- The structure of the group i.e. whether it is a small informal group, an unincorporated or an incorporated body.
- Whether the group itself is acting as a business. This may apply even if the group is not trying to make a profit: the question is, rather, whether it is operating commercially or professionally. How substantial and regular its activity is will also be relevant.

### Informal groups and unincorporated associations

If a member of the group buys from a supplier on behalf of the group and its members and doesn't operate as a business, the initial supplier will be responsible for complying with



consumer protection legislation. Unless the supplier agreed otherwise, the person who bought the goods from the supplier would have to enforce the rights. For example, they would have to take faulty goods back to a shop. This is because the person who bought the goods entered into a contract of sale with the supplier. They are seen as an individual consumer buying goods on behalf of other individual consumers.

However, where members of groups buy and sell goods, perhaps selling at a higher price to cover overhead costs, or buying in bulk, not knowing exactly how much they are going to sell on, then the situation could be different. In some circumstances, this may be regarded as a business. In that case, the original supplier to the group will not be responsible for complying with consumer protection legislation (although, quite apart from consumer protection, there could still be a claim against the original supplier for breach of contract). Instead, individuals buying from the group might be entitled to make a claim against the group (or, more precisely, members of the group). While this may be a limited risk, groups need to be aware of this.

## Incorporated Bodies

A community buying group in this category which buys goods and sells them on is likely to be considered as acting as a business, even if it doesn't make profits. If there is a problem with goods or services bought from the supplier, the group won't be able to enforce rights against the supplier under consumer protection legislation (although again, quite apart from consumer protection legislation, it could still claim against the supplier for breach of contract). Those buying from a group which is an incorporated body will have rights against the group. The group will need to know about its responsibilities under consumer protection law and make sure it is complying with them.

## Data protection

The Data Protection Act 2018 (DPA 2018) and the UK General Data Protection Regulation (UK GDPR) controls how your personal information is used by organisations, businesses or the government. Everyone responsible for using personal data has to follow strict rules called 'data protection principles'.

For further information see: [How well do you comply with data protection law: an assessment for small business owners and sole traders | ICO](#)

## Advertising and marketing – fair trading

Any group that acts as a business must also deal fairly with its members and with members of the public in the way that it advertises and markets itself and its goods and services. This means, in particular, not making misleading statements and ensuring that people dealing with the group have the information they need to make buying decisions. See: [Consumer Protection from Unfair Trading Regulations - traders: OFT1008 - GOV.UK \(www.gov.uk\)](#).



Further advice on consumer protection legislation can be obtained from your Local Authority Trading Standards [Find your local Trading Standards office - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## Safe food

Any group supplying food must ensure that it is handled in a safe and hygienic way. Any group starting a new food business must also make sure it registers with their local authority. Further advice can be obtained from your local authority. Local authority details can be found here: [Find your local council - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

For further information on food safety see: [General food law | Food Standards Agency](https://www.food.gov.uk)

## Safe products

Some groups selling goods may need to comply with product safety legislation and ensure the products supplied are safe to use. This obligation will apply to groups acting in the course of a business. In addition, the company or person that supplied the products initially to the group acting in the course of a business may also be responsible for any breach of legislation. Therefore groups which are businesses may consider taking out product liability insurance to cover any claims made by members or the wider public suffering damage to property or injury from products supplied by the group.

Further advice can be obtained from your Local Authority Trading Standards: [Find your local Trading Standards office - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## Weights and measures

Groups selling products that require measurement such as meat, vegetables and drinks may need to ensure they comply with weights and measures requirements in terms of how the product is priced and its weight is specified.

Further advice can be obtained from your Local Authority Trading Standards: [Find your local Trading Standards office - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## Street trading

Any group that intends to trade in the street, for example, at a stall, will probably need to apply for a licence or consent from the Local Authority.

Further advice can be obtained from your Local Authority: [Find your local council - GOV.UK \(www.gov.uk\)](https://www.gov.uk)



## Price labelling

Groups that buy and sell goods as a business have to meet requirements on displaying the price of any goods sold to consumers. Broadly the group must ensure prices are displayed clearly and including VAT. This requirement does not apply to the sale of services. For both goods and services price indications must not be misleading.

Further advice can be obtained from your Local Authority Trading Standards: [Find your local Trading Standards office - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## Volunteers

It's important to ensure the legal status of volunteers is clear. If there is a contract between the group and the person who is volunteering, then they may be regarded as a worker (and will have some employment rights) or even an employee (with full employment rights). A contract doesn't have to be written.

One important issue is the National Minimum Wage. This applies to anyone who is a "worker".

**Volunteers** – A volunteer does not have an employment contract or any form of contract to personally perform work or provide services so will not be a "worker". This means that the minimum wage does not apply to them.

**Voluntary Worker** – a person who has an employment contract or any form of contract to personally perform work or provide services will be a 'worker'. However, in certain circumstances they will not qualify for the national minimum wage because of an exclusion which applies to "voluntary workers". For this exclusion to apply, the individual must work for a charity or voluntary organisation. Also, they must only be paid for the costs they have incurred carrying out the voluntary work (out of pocket expenses) e.g. the cost of lunch and travelling to and from their home to the place the voluntary work is carried out. The minimum wage does not then apply.

If they are paid more than out of pocket expenses, they are not classed as a "voluntary worker" and will be entitled to the minimum wage. Paying more than out of pocket expenses may also affect the volunteer's state benefits and the amounts could be taxable.

Various conditions must be met for someone to be considered a voluntary worker. More detailed information on volunteers and the national minimum wage can be found at: [Volunteer opportunities, rights and expenses: Find volunteer opportunities - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

A guide on volunteers and the law (in England) can be accessed on the NCVO website: [Volunteers and the law | NCVO](https://www.ncvo.org.uk)





## If your group has employees

Some larger groups may wish to employ people to help run the group. If it does, it must be aware of its legal responsibilities as an employer. These responsibilities include: -

- paying the employee, including observing the National Minimum Wage;
- providing the employee with information about their rights;
- treating the employee with trust and respect; - observing the law against discrimination; and
- dealing with employee complaints.

Further information on employer responsibilities can be found at:

[Employing staff for the first time - GOV.UK \(www.gov.uk\)](https://www.gov.uk) and [Employing people - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

ACAS Helpline: 0800 4703861 Pay and Work Rights Helpline 0300 123 1100

An employer has a legal duty to provide a safe working environment for its employees and anyone else affected by its activities, such as volunteers and customers. This includes a requirement to have employer liability insurance, to carry out a risk assessment of any premises and equipment and to provide health and safety training.

## Health and Safety

Duties arising out of specific health and safety legislation largely apply to the work activities of employers (**see Employees section**) and so are unlikely to affect most groups. Limited duties may also arise under health and safety legislation where a group uses non-domestic premises.

All groups will need to consider more general obligations arising under the common law and ensure that it or its members do not carelessly cause injury to others. This simply requires a sensible and proportionate approach and shouldn't be too onerous.

For further guidance on your obligations under the common law, see [www.hse.gov.uk/voluntary/when-it-applies.htm](https://www.hse.gov.uk/voluntary/when-it-applies.htm)

If your group employs people or uses non-domestic premises, see [www.hse.gov.uk/voluntary/index.htm](https://www.hse.gov.uk/voluntary/index.htm)

## Your liability as an occupier of premises

Any group that becomes the occupier of premises must take reasonable care to ensure the safety of visitors to those premises. This will generally apply to any group (whether incorporated or not) that is considered to be in control of the premises. If this liability applies to a group, it may be a good idea to take out occupiers' liability insurance to cover against



the possibility of a personal injury claim. Bear in mind that the group will only be required to take reasonable care and if sensible, proportionate approaches are taken the chance of a personal injury claim being made will be small.

## Insurance

Larger, more established groups operating as a business are more likely to need to take out insurance but smaller and more informal groups may also need insurance. Appropriate motor vehicle insurance is compulsory if you use a vehicle and if you employ people, so is employers' liability insurance. Other aspects of insurance are covered earlier in this chapter:

- Employers' liability insurance (see '**If your group has employees**')
- Occupiers' liability insurance (see '**Your liability as an occupier of premises**')
- Product liability insurance (see '**Safe products**')

**Public liability insurance** – This will cover injury, death or damage to property caused by a member of a group, employee or volunteer. It will also cover associated costs such as legal fees. Both formal incorporated and informal groups may wish to take out public liability insurance. Informal groups should obtain further advice about whether it is advisable.

**Motor vehicle insurance** – This is compulsory. A group should bear in mind that using a vehicle owned by one of its members (or a volunteer) for the purposes of the group may be considered business use. An accident may not be covered by the person's personal insurance. Check with the insurer first to see if they consider your activities constitute business use, and if so, if you are covered by the policy. If your group owns the vehicle you will need to ensure you have suitable insurance.

The National Association of Voluntary and Community Action (NAVCA) provides local support for voluntary and community groups, which can provide people, support and resources to help get your initiative going. It has a searchable directory of local support organisations in England. [Find a member \(navca.org.uk\)](https://www.navca.org.uk)

The equivalent organisations in Scotland, Northern Ireland and Wales are:

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- Wales Council for Voluntary Action (WCVA) [www.wcva.org.uk](https://www.wcva.org.uk)

Further sources of legal advice For further sources of advice, guidance and support regarding your group's legal responsibilities please refer to **Appendix A: Further information and resources**



## Annex A: Further information and resources

**Action with Communities in Rural England (ACRE)** National charity supporting rural communities across the country. Produced a best practice oil buying groups guide jointly with Citizens Advice Bureau and the Federation of Petroleum Suppliers [www.acre.org.uk](http://www.acre.org.uk)

**Advisory, Conciliation and Arbitration Service (ACAS)** Organisation preventing and resolving employment disputes. <https://www.acas.org.uk/> Helpline: 0300 123 1100

Business and self-employed, tools and guidance for businesses  
<https://www.gov.uk/browse/business>

**Charity Commission** The regulator and registrar of charities in England and Wales. The Charity Commission also provides services such as advice and guidance. [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk) and guidance on payment of interest on share capital [Industrial and provident societies \(payment of interest on share capital\) - GOV.UK \(www.gov.uk\)](http://www.gov.uk/government/consultations/industrial-and-provident-societies-payment-of-interest-on-share-capital)

**Community Development Finance Association (CDFA)** Represents Community Development Finance Institutions (CDFIs). CDFIs provide loans to people and businesses that experience difficulties getting finance from mainstream lenders. [www.cdfa.org.uk](http://www.cdfa.org.uk)

**Companies House** Registrar of companies and company information.  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

**Co-operatives UK** is the national trade body that campaigns for co-operation and works to promote, develop and unite co-operative enterprises. Resources available include Simply Legal; Simply Governance and Starting a Cooperative. A network of Co-operative Development Bodies across the UK provides advice and information to people looking to create a new cooperative or develop an existing one. [www.uk.coop](http://www.uk.coop)

**Food Standards Agency** The government department for food safety. Provides advice and guidance on food safety requirements [www.food.gov.uk](http://www.food.gov.uk)

**Freecycle** Matches people with things they don't need to people who want them.  
<http://uk.freecycle.org>

**Get Legal** Free online reference and decision making tool for charities, social enterprises and co-operatives which aims to demystify issues such as legal forms. [www.getlegal.org.uk](http://www.getlegal.org.uk)

**Health and Safety Executive (HSE)** Independent watchdog for work related health, safety and illness. HSE provides advice and guidance. [www.hse.gov.uk](http://www.hse.gov.uk)

**HM Revenue and Customs (HMRC)** For information and advice on tax. [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

**Information Commissioner's Office (ICO)** The UK's independent authority set up to uphold information rights in the public interest, promoting openness by public bodies and data privacy for individuals. [Information Commissioner's Office \(ICO\)](http://www.ico.org.uk)



**The Institute of Chartered Accountants in England and Wales (ICAEW)** Professional membership association for chartered accountants. Advertises voluntary roles to its members free of charge. [www.icaew.com](http://www.icaew.com). The ICAEW also a community forum with free resources and webinars for charities and voluntary sector [Join the Charity Community | ICAEW](#)

**International Co-operative Alliance** Representing co-operatives worldwide. [International Cooperative Alliance | ICA](#)

Local Authority Council contact details Directory of Local Authority contact details [Find your local council - GOV.UK \(www.gov.uk\)](#)

Local Authority Trading Standards contact details [Find your local Trading Standards office - GOV.UK \(www.gov.uk\)](#)

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- Wales Council for Voluntary Action (WCVA) [www.wcva.org.uk](http://www.wcva.org.uk)

**National Council for Voluntary Organisations (NCVO)** Provides advice and support to voluntary organisations. Members are provided with additional support including legal advice. Membership for voluntary organisations with incomes of up to £30,000 can get 3 years membership free [NCVO | NCVO](#)

**Office of the Scottish Charity Regulator (OSCR)** The regulator and registrar of charities in Scotland. The regulator also provides services such as advice and guidance. <http://www.oscr.org.uk>

**Plunkett Foundation** Helps rural communities through community ownership to take control of the issues affecting them. Its work is focused on community-owned village shops, rural social and community enterprises and community food enterprises. Provides a range of advice and information. [www.plunkett.co.uk](http://www.plunkett.co.uk)

**Reach** Matches skilled volunteers to voluntary organisations. <https://reachvolunteering.org.uk/>

**Sustain (Food Co-op Toolkit)** Sustain promote food and farming that advocates food and agriculture policies and practices that enhance the health and welfare of people and animals, improve the working and living environment, enrich society and culture and promote equity. Sustain has created a toolkit for anyone interested in setting up a Food Co-op [www.sustainweb.org/foodcoopstoolkit](http://www.sustainweb.org/foodcoopstoolkit)



**Time Banking UK** Umbrella charity linking time banks across the country. Time banks allow individuals to earn credits carrying out voluntary tasks in the community. Credits can then be used by individuals to get things done in return. [www.timebanking.org](http://www.timebanking.org)

## Annex B: Committee/Group Terms of Reference Template

Please note these can be tailored according to whatever direction the group decides to take.

Name:	Official name of the committee or group
Members:	It might not be practical to name all members individually, but any areas of responsibility should be made clear
Contact Information - Roles / Responsibilities	e.g. chair, secretary, treasurer, report to the board
Aims of the Group:	For example, financial savings for members or good quality goods and services
Resources and Budget (if applicable)	E.g. equipment, materials, rooms, funds available to the committee
Governance	Decision-making processes, e.g. consensus, 2/3 majority vote or chair's authority, etc.
Additional Notes	How communications outside of meetings will be conducted, e.g. phone or email
Frequency of meetings	E.g. monthly



## Annex C: Example of a Written Constitution

This should give details of why the organisation exists, what it is there to do, how it is going to do it and how it is organised.

This prevents misunderstandings among the membership and allows new members to understand what it is they are joining. A governing document can be changed by the membership.

A typical governing document will set out clearly:

- The name of the organisation
- What the organisation is going to do (also known as the “Objects”)
- Who can become a member of the organisation
- How members can join or leave
- How and when general meetings are called
- How many members have to be present in order for decisions to be legitimate (also known as being “quorate” at general meetings)
- Who is allowed to vote at general meetings Election of a committee – if applicable
- What happens to any profit made by the group (also known as “application of surplus”)
- How the governing document can be changed
- How and what happens if the organisation is dissolved