

Committee Rifts and Disputes



Hull CVS
'community and voluntary services'



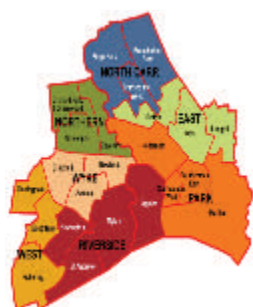
Committees can and do fall out, and it does sometimes happen that when individual committee members leave (whether because they resign, or because the organisation chooses not to re-appoint them) that they refuse or fail to return records or resources that belong to the organisation.



This factsheet is designed to provide some general information to help organisations handle such a situation. The first essential thing your committee must do is to be sure that they have been properly appointed, and that any ex committee members have been properly removed from office. If there are any questions or doubts as to whether your committee has been appointed within the rules of your governing document, or whether ex committee members have actually resigned, please contact Hull CVS.



We can help you check your constitution, provide information to help you, and signpost you to professional advice if necessary. But assuming your organisation has complied with its governing document and your committee *has* been properly appointed, this information sheet explains the duties and responsibilities on you and on the ex committee member/s, and gives you some suggestions on how to proceed.



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Prevention is Better Than Cure

Best of all, avoid the situation arising. You can do this by:

- Ensuring that all your committee are clear about their legal duties and their responsibilities
- Making sure all your committee understand that items bought from organisation's funds belong to the organisation and not to any individual committee member
- Being clear what items belong to the organisation (because the organisation purchased them, or they were donated) and what items are on loan to the organisation. Keep written records: letters of thanks for donations, written agreements about items on loan – at the very least make a note in your minutes.
- Ensuring that if your organisation makes any equipment available to committee members or committee members agree to store equipment, that you write up an agreement including the fact that the items will be returned when they cease to be a committee member, and sign it.
- Ensuring that any committee members who hold keys belonging to your group sign an agreement about use of the keys, and that they will be returned when they leave the committee.
- Making sure that you all, or more than one of you at least, keep copies of important papers such as your constitution and minutes of all your General Meetings and Committee Meetings
- Having a number of people empowered to sign cheques (i.e. more than two, even though only two need to sign at one time) and keep a record of who they are, and make sure your minutes record the decision to make someone a signatory or change signatories
- Having a committee member who is *not* a signatory look after the chequebooks
- Thinking about asking a larger organisation that supports you to hold a copy of important papers like your constitution
- Establishing it as standard practice that the records and resources are brought to the AGM and handed over at the end
- Having your first committee meeting immediately after the AGM, and having the bank mandate forms ready at the AGM so that you can get your signatories changed quickly
- Following your own rules (in your constitution) regarding appointment of committee members, and conducting meetings
- Encouraging all your committee members to ask questions and be involved – never allow one person, or a small number of people, on your committee to be totally in control and keep the others in the dark.



You Have To Fulfil Your Duties

Letting it go is not an option. You *must* pursue former committee members for the return any records and resources belonging to the group and you must take all reasonable steps to recover them.

If your committee are nervous about doing so, they must understand that they have a *duty* – that means a *legal obligation* – to run the group, and they can't do that without its records. If the organisation is a Charity, your committee are its Trustees and have a *Duty of Trust*. If it is not a Charity they still have a *duty of care*. This means they must ensure that the organisation's resources are not misused, so they must do their best to have those returned. The former committee members have the same duties and not returning those resources would not only constitute misuse of those resources, and a breach of their duties, but it is theft.

Whatever the reason, whether the former committee members are just a bit forgetful and disorganised, or whether they are acting out of malice, the remaining committee members must firmly and explicitly request the return of any papers and resources. Do that in writing if necessary. If you choose to let it go, and not to pursue the return of the group's records and resources, you could be failing in *your* duties and potentially you could be held liable for refunding any losses. Imagine trying to give an account to a funder of how you used their grant to buy equipment, when a former committee member still holds - and refuses to return - that equipment. The funder will hold you as a committee responsible.

Sometimes all reasonable requests go unheeded. In which case, your committee must hold firm, not be intimidated, and must set aside personal feelings. It is understandable that your committee members might feel nervous, worried, unconfident, even intimidated. They might feel concern for the feelings of the former committee members, and reluctant to cause a fuss. Remember you have a *duty* to recover the records and resources belonging to the organisation. In most cases a firm and business-like letter giving a deadline and stating that if the records and resources are not returned by that date, you will have no choice but to inform the Police and the Charity Commission (if your organisation is a Charity), will do the trick.

If that still doesn't work, then *contact* the Police and (if applicable) the Charity Commission. Where the former committee members retaliate with threats or actually respond with violence you should certainly report them to the Police.

Even if that does not do the trick, you as a committee can demonstrate that you have done all you reasonably can to get your group's belongings back.

Damage Limitation

Commonly, this situation arises because former committee members refuse to accept that they have not been re-appointed, or they resign in anger following a disagreement. As long your organisation has complied with its constitution, and the appointment or removal of committee members was carried out following your own rules, then any former committee members should accept the majority decision.

If you are absolutely certain that your organisation has abided by its constitution, you can take steps to limit any damage that disgruntled ex committee members can do.

- If the former committee members are signatories to the bank account, contact your bank and find out what steps you need to take to change signatories. Some banks will require the outgoing signatories and the new signatories all to sign a mandate form, but if the ex committee members refuse, you will need to discuss with the bank what you can do instead. The bank will certainly want evidence that your new committee was duly elected, and that your committee has appointed the new signatories, so all these decisions need to have been written up in your minutes.
- If you are unable to recover records, think about where you might be able to obtain copies of important papers. Which organisations have a copy of your constitution? Are you certain it is your current constitution or have there been any recent amendments? Funders, the Charity Commission (if your organisation is a registered Charity), accountants (if your organisation has had an audit) all might have a copy of your constitution/annual accounts.

Your bank can supply bank statements (but may charge for copies). See what copies of important papers your committee have – they should certainly have copies of minutes.

- If your former committee members are claiming to still represent your organisation, you could write to all the key organisations you have dealings with simply stating that the following (list names) are your current committee who are responsible for running the organisation, and that any queries should be directed to (whoever you say, e.g. the Chair) and that the following (list names) are no longer members of your committee and are therefore not empowered to act or speak on behalf of your organisation. Do *not* make any allegations or other statements about the conduct of former committee members though.
- If allegations are being made by ex committee members about the current committee, your committee might need to prepare a simple factual statement to use to respond. Keep it positive, and avoid getting drawn into public arguments. Make sure your committee agree the points you want to make, and stick only to those.
- If your organisation has any agreements with other bodies, such as a lease for an office, and the former committee members were the signatories to the agreement, you need to contact those bodies and arrange to transfer the agreement to the current committee. Again, you might need to provide minutes and show that your organisation has followed its constitution.
- Make sure whatever action you take that your committee acts together as one body and keep minutes of all your decisions.



Contact details

tel | 01482 324474
fax | 01482 580565
email | information@hull-cvs.co.uk
office | The Strand
75 Beverley Road
Hull
HU3 1XL
website | www.hullcvs.org.uk

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