



Starting a Community Organisation

RESOURCES

What structure is right for you?

Setting up as a new community organisation can be exciting and rewarding. Still, with multiple forms of structure available, it can be challenging to navigate and choose the one suitable for your organisation.

Before you make this decision, you should consider the following:

- What is your organisation purpose and vision?
- How do you plan to fund your organisation?
- Do you plan to recruit employees?
- Do you plan to own/rent land or buildings?
- Risk and Safeguarding (legal personality)

Once you have considered these factors, you will then want to look at the various types of structures, that reflects your organisation aims. Below we have shared an overview of the three most common structures:

Unincorporated/Voluntary Organisation

Scottish Charity (SCIO)

Community Interest Company (CIC)



Glasgow
Council
for the
Voluntary
Sector



For more resources visit
www.gcvs.org.uk

Unincorporated/Voluntary Organisation

An 'unincorporated association' is usually formed when individuals come together for the same or similar purposes, for instance, a voluntary group or a sports club. This is an unregulated structure. Please note that in an organisation that is unincorporated, trustees are individually liable, so they are open to risk and liability.

The organisation will tend to be:

- Small in size
- Volunteer led
- Unregulated – no legal personality
- Constituted (possessing a governing document)
- Funded by grants/fundraising
- Community focused

Scottish Charity (SCIO)

A Scottish Charitable Incorporated Organisation (SCIO) is regulated by OSCR. A SCIO has two types of models, single and two tier. The two-tier model is often favoured as it includes a membership offering. To register as a charity, you must pass the charity test.

Organisations that are SCIO's tend to include these characteristics:

- Any size
- Have charitable purposes (cause)
- Income from funders/fundraising
- Recruit staff and volunteers
- Operate across local authorities/regional/national
- Annual monitoring

Community Interest Company (CIC)

A CIC is a form of limited company which has a social purpose and exists to benefit the community. It is also a form of social enterprise that is regulated by the UK Regulator of Community Interest Companies. To become registered, you will be required to pass the CIC test and will be registered on Companies House.

Organisation that are CIC's tend to be:

- Any size
- Social purpose
- Operate across the UK
- Income – trading/funding/fundraising
- Recruit staff and volunteers
- Annual monitoring



Governance Support

To discuss structure further or for governance support, please book a surgery appointment on our Governance & Charity Law page. Our advice surgeries are free to eligible groups and organisations in Glasgow - register first for our funded support.