

Whitley Bay U3A
Guidance Notes for Group Leaders

December 2018

References:

- A. Charity Commission for England and Wales. (<https://gov.uk>)
- B. Third Age Trust. (www.u3a.or.uk)

Introduction. The Charity Commission and the Third Age Trust impose a legal responsibility on trustees of U3As to ensure propriety in the management of the charity's financial affairs. Comprehensive regulations and guidelines are clearly outlined in both of the documents at References A and B. Within the document, the word 'must' is used where there is a specific legal or regulatory requirement that you must comply with. Should is used for minimum good practice guidance you should follow unless there is a good reason not to. Financial controls are important for charities of all sizes. Not all controls will be relevant for all charities; indeed, the Charity Commission recognises that for small charities some controls may be impracticable. It is for the trustees to decide which controls are appropriate for their charity. Accordingly, the information provided herein is an abridged summary of that provided in the reference documents and specifically applicable for group leaders. Further clarification on any aspects should be sought from the Trustees through the Group Coordinators Team Leader. If necessary, the Trustees will seek clarification from the Third Age Trust National Office.

The guidelines will cover the following areas:

- Income and Expenditure Accounts
- Debit Cards, Credit Cards and Charge Cards • Booking Venues
- Insurance
- Group Leaders Expenses.
- Group Equipment Inventories
- Paid Tutors

Income and Expenditure Accounts. At the basic level, group leaders who receive funds from group members and pay for hire of facilities, services or purchase of equipment must record all transactions using a 'Petty Cash Book'. These items are available from the Group Coordinators Team Leader and Treasurer. Group Leaders may use their own system of recording as long as the following requirements are met.

Provide a receipt for all monies received. This may seem to be burdensome and time-consuming for group leaders with interest groups involving large numbers. The Trustees have therefore approved the use of an Attendance Register to record this income, which will be signed by the group leader and countersigned by a second member. The same register can be extended to

include an opening balance or balance brought forward, total income received, a list of expenditure items and, where appropriate, for example for a wine appreciation group, expenditure on stock purchased in advance to take advantage of financial discounts. An example of this format is attached and can be clarified in consultation with the Treasurer.

- Payments must only be paid on the demand of an invoice from the supplier or where the provider of a service or goods produces a receipt for the payment.
- Ensure that their account petty cash limit set by the Trustees is not exceeded. The limits for the interest groups have been set as follows:

Tai Chi Groups	£200
Wine Appreciation Group	£200
Archaeology Group.	£200
Social Quiz Group	£100
Quiz League Group	£70
All other Activity Groups	£50

Should a group leader find that they are approaching the upper limit arrangement must be made to reduce the level of petty cash held. However, group leaders must not repay cash to members. Rather, the level of charge for subscriptions could be reviewed to include the possible offer of 'free' attendance sessions. Alternatively, the quality of refreshments provided could be enhanced or funds used to purchase items of equipment for the benefit of the group.

WB U3A Debit Cards. Credit Cards and Charge Cards. Some retailers, for example, theatres, will only accept block booking by payment using debit, credit or charge card. These cards can only be used when WB U3A moves to an on-line banking system. Debit cards charge bank accounts directly and payments therefore have an immediate impact on bank balances. Their misuse or loss can be extremely serious for the charity. Credit and Charge card payments are invoiced monthly and there is some ability to intervene in the case of misuse. Nonetheless, used properly these methods of payment are generally considered to be safe, especially as the following controls are put in place and must be adhered to.

- The cost for each card must be met from the group funds as is any interest charged due to late payment by the cardholder.
 - Cards will be issued to named individuals.
 - Payment by card can only be made when there are sufficient funds from the group members deposited into the U3A account. The U3A account cannot subsidise individual interest groups.
- Card holders will be advised on the system for their issue, spending limits and card security.
 - Restrictions will be placed on, for instance, the type of retailer where cards can be used.
 - Payment cards must be cancelled and destroyed if the individual ceases to be involved with the charity or if authorisation of the cards use is withdrawn.
 - Debit card expenditure must be supported by a voucher and/or invoice and recorded and analysed in accounting records.
 - Copies of all credit or charge card statements must be sent directly to the U3A Treasurer and not the individual cardholder. The statements will be used to record and analyse transactions in the accounting records and are matched with supporting vouchers and invoices provided to, or obtained by, holders of cards.
 - Trustees will carry out a periodic review of card use to ensure consistency of use with these policies.
- Payment by personal credit/debit/charge cards is the choice of the Group Leader and the loss of monies will be the responsibility of the cardholder.

Booking Venues. Group leaders are responsible for organizing the venue for their activity. If hiring an external venue, the hire contract/terms and conditions must be forwarded to

the Business Secretary and Treasurer.

Insurance. An overview of the Insurance Policies provide by the Third Age Trust is as follows:

- Public and Products Liability. This cover indemnifies all U3A members against all sums they could be liable to pay as a result of
- Accidental injury to or death of any person.
- Accidental loss or damage to material property not belonging to them, which arises or is caused in conjunction with the business of U3A.
- Money Cover. This covers U3A cash held in member's homes, hired premises and in transit.
- All Risks Equipment Insurance. This policy covers loss or damage to property owned by U3A wherever it is held and in transit, but excludes wear and tear depreciation. Due diligence must be observed and precautions taken to ensure it is stored securely.
- Home Contents Cover. This covers damage to the property of any u3a member whilst their home is being used to host a U3A interest group/meeting.
- Tour Operators' Liability. This is to cover a group leader wanting to arrange a short study trip for his or her group, involving overnight accommodation.

How does this apply to Group Leaders?

- The policy means that group leaders are completely protected should there be a claim for damages following an incident in their group.
- U3A is responsible for covering the excess payment.
- The policy protects you against claims made by third parties.
- Public liability covers for U3A use of hired halls and members homes, subject to the normal test of legal liability. Some hall hirers appear to make U3A responsible for all loss or damage as part of their hire contract. This is not correct and the hall hirer should be asked for the clause to be removed from the contract. However, should you fail to achieve that, our insurers state that as a last resort you can sign the contract because the clause is unenforceable.
- Public liability covers the U3A against accidents whilst out walking or any other type of outdoor or strenuous activity, but it is not an automatic personal accident insurance where it would have to be shown that U3A members had in some way been negligent in causing injury to the victim.
- You are not required to have trained first aiders within your interest group. Insurance advice is to contact the emergency services in the event of an accident.
- There is no formal requirement to carry out risk assessment for any/all of the activities, although the Third Age Trust has prepared a set of checklists covering outside venues, walking and activities which group leaders may wish to use. Examples of these checklists are attached. In all cases, however, common sense is the best judge.
- Public liability does not extend to accidents arising to members traveling in other members' cars or on a coach or minibus because motor insurance is an entirely different matter.
- The policy also covers non-U3A participants who wish to try a couple of U3A activities before joining, but this facility must not be abused.
- Carers or companions who attend a u3a activity/event to support a member are

also covered under the policy providing that the carer/companion does not attend the activity as an individual. It must be noted that in the case of a 'professional carer', the cover the Trust provides does not apply.

- Public liability cover also extends to activities taking place in the UK and Europe.
- Group leaders do not need to have professional qualifications to lead physical activity groups. However, the Trustees must assure themselves that any potential leader is sufficiently experienced before they allow the group to start.
- Insurance cover for potentially more dangerous activities such as abseiling, hang gliding, white-water rafting etc, must be discussed in advance with the National Office.
- Waterborne activities such as sailing and canoeing are permissible on inland waterways only providing all safety procedures are adhered to. There is no cover for any craft with an engine.

Group Leaders Expenses. Group leaders may recover from their group activity petty cash account agreed expenses for printing, administration and travel in connection with their activity groups.

Group Equipment Inventory. Equipment purchased by U3A or the members of a group to support an activity must be listed on an inventory. Details to include an item description, serial number if any, date of purchase and cost, and where the item is located. Consumable items are not to be recorded on the inventory, which is to be maintained by the group leader. In the event that an interest group ceases to operate, the equipment must be returned to the Trustees for retention and future re-allocation should the group reconvene.

Paid Tutors. For many years there has been discussion in which U3As should make payment to non members for services as group tutors. The Third Age Trust, as the national support and advisory body for U3As in the UK, issued a statement from its National Executive Committee in 2015 outlining its position on the subject. Fundamentally, the NEC believes paying tutors is against the ethos of the Third Age Trust and recommends not doing so as there are also significant implications involved regarding insurance and employment issues. However, the decision on whether or not to pay non-member tutors rests with the local U3A Trustees. Accordingly, group leaders must first seek approval from the Trustees before making contractual arrangements to pay tutors to lead their interest groups.

Rod Clark

Treasurer

For WB U3A Trustees 14th December 2018

Attachments

Example Income & Expenditure Document Example Risk Assessment Checklists

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