

Chapter 5

Local governance and finance of Groups, Districts, Counties

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Rule 5.1 Scope ^{SV}

[With the addition of 5.1.1.2, this Rule 5.1 reflects Rule 5.1 from January 2023 POR]

- 5.1.1.1 Each Group, District and County is a separate educational charity within the Scouts' federated structure and must operate as such, regardless of whether the Group, District or County is registered with a charity regulator.

- 5.1.1.2 The members of the charity are the members of the Scout Council as defined in this chapter.
- 5.1.1.3 The governance and financial arrangements for Groups, Districts and Counties are governed by this POR chapter.
- 5.1.1.4 Chapter 13 of POR may also apply if the charity is registered, including if it has ownership of land or property.
- 5.1.1.5 For Counties that have no Districts, or have a directly administered District, or have a directly administered Group, the County Trustee Board must also enact the District-related or Group-related aspects of this chapter.
- 5.1.1.6 For Districts that have a directly administered Group, the District Trustee Board must also enact the Group-related aspects of this chapter.

5.2 Constitution – governance context

[This is a summary of the principle and rationale drawn from Principle 2 of the Charity Governance Code]

Good governance focusses on oversight and strategy and maintains focus on supporting and assuring the organisation's strategic goals. This is further explained in the team descriptions for Trustee Boards.

[The next 2 paragraphs will be removed from POR in the October 2023 edition]

Once the Volunteer Experience transformation has started in each County (in November 2023 or February 2024) the management of day-to-day tasks rests with the relevant Support Team (District and County), or function (within the Group Leadership Team) rather than with the Trustee Board.

To reflect this change, Chapter 5 will be further developed in autumn 2023. However, this chapter 5 reflects the requirements for the Annual General Meetings of Groups, Districts and Counties held in 2023 after publication of this edition of POR.

This chapter (and others in POR) also reflects the change from Executive Committees to Trustee Boards for Groups, Districts and Counties. And the role name change from Executive Committee Member to Trustee.

- 5.2.1.1 Every charity must adopt a governing document. In our federation of charities, and in this chapter, we refer to the governing document as a 'constitution'.

A governing document explains what the charity is set up to do, and how it should operate. It sets out the rules to be followed in the governance of the charity. All Trustees must understand their constitution, and make sure it is kept up to date.

For ease, this chapter includes a model constitution that can be adopted by each Group, District and County.

5.2.1.2 *[New words drawn from the intent of the Charity Governance Code]*

Every Trustee Board must be clear about their charity's aims and ensures that these are being delivered effectively and sustainably.

Charities exist to fulfil their charitable purposes. Trustees must understand the environment in which the charity is operating and lead the charity in fulfilling its purposes as effectively as possible with the resources available. To do otherwise would be failing beneficiaries, funders and supporters.

5.2.1.3 Charity Trustees must collectively:

- ensure that the charity is carrying out its purposes for the public benefit
- comply with the charity's governing document and the law
- act in the charity's best interests
- manage the charity's resources responsibly
- act with reasonable care and skill

Rule 5.3 Constitution - requirement

This Rule applies to each Group, District and County, whether or not it is registered with a charity regulator.

5.3.1.1 *[This replaces previous 5.3.1.1]*

Every charity must have an agreed constitution. Although every charity can agree its own constitution, it is very strongly encouraged that each Group, District and County adopt the constitution that is shown in 5.4 in this Chapter.

The model constitution in 5.4 describes the role, membership and operation of the Scout Council, and the Trustee Board.

5.3.1.2 *[This is new.]*

In the interest of openness, especially for new members of the Scout Council, the Scout Council should re-adopt their charity's constitution at each Annual General Meeting. This must be recorded in the minutes of the Annual General Meeting.

A Group, District, or County which adopts unchanged the model constitution in 5.4 should record in their Annual General Meeting minutes that POR 5.4 is fully adopted as its constitution.

A Group, District, or County which adopts the model constitution in 5.4 but makes a local amendment to the model constitution must record in the minutes of their Annual General Meeting:

- the adoption of the model constitution in POR 5.4 as the basis of their constitution

- the specifics of the local amendment(s) that it has adopted.
- clear reasoning for the local amendment.

5.3.1.3 *[This is an updated 5.5.2.2 from the January 2023 POR]*

As stated in Rule 16.1.1, a person must have reached their 18th birthday before they take on a charity Trustee role in the Scouts.

5.3.1.4 There are four classifications of Trustee:

a) Ex officio

These people are Trustees by virtue of their role in the Scouts. They are a vital part of the Trustee Board, providing a clear link with the leadership and operation of Scouting by the charity.

b) Elected

These Trustees are appointed by the Scout Council at their Annual General Meeting following an election process administered by the Secretary.

c) Nominated

These Trustees are appointed by the Scout Council at their Annual General Meeting on the recommendation of the Group Scout Leader, District Commissioner or County Commissioner, following consultation with the Trustee Board Chair.

d) Co-opted

These Trustees are appointed by the Trustee Board, normally at their first meeting following an Annual General Meeting. They provide a useful method of broadening the skills mix of the Trustee Board or to introduce potential new Trustees mid-year.

5.3.1.5 *[This is an updated 5.5.2.3 from the January 2023 POR]*

Certain people are disqualified from being charity trustees by virtue of the Charities Acts. (See rule 16.1.1.5). This must be determined during the appointment process through the Trustee's declaration and by Trustee eligibility checks.

5.3.1.6 *[This is 5.5.2.6 from the January 2023 POR]*

All Trustees must complete training as specified in Rule 16.2.1 and the Chapter 16 Roles Table.

5.3.1.7

In addition to the Rules in 5.3, key parts of the model constitution in 5.4 are Rules that must be followed. This particularly applies to 5.4.3 and 5.4.4. However, to ensure good and transparent governance, reasons for any variation from 5.4 must be clearly documented in the minutes of the Annual General Meeting.

5.4 Constitution for a Group, District or County

5.4.1 Preamble

This constitution describes the role, membership and operation of the Scout Council, and the Trustee Board.

In the interest of openness, especially for new members of the Scout Council, the Scout Council should re-adopt their constitution at each Annual General Meeting.

5.4.2 The Scout Council - membership

5.4.2.1 *[This is unchanged from 5.4.1.1 in the January 2023 POR]*

The Scout Council is the body which has charity governance responsibility for Scouting in the Group, District or County. The Trustee Board is accountable to the Scout Council.

5.4.2.2 *[This is unchanged from 5.4.1.3 in the January 2023 POR]*

Membership of the Scout Council does not provide membership of the Scouts.

5.4.2.3 *[This is based on 5.4.1.2 in the January 2023 POR]*

There are four categories of membership of each Scout Council:

- a) Ex officio
- b) Nominated
- c) Co-opted (only for the County Scout Council)
- d) Right of attendance

5.4.2.4 A Secretary must ensure that nominated and co-opted Scout Council Members are recorded in the minutes of the Scout Council meeting which is normally the Annual General Meeting. Nominated and co-opted Scout Council members must not be recorded on The Scout Association's membership system.

Ex officio Scout Council members must not be recorded as Scout Council Members on The Scout Association's membership system.

5.4.2.5 *[This is from 5.4.2.1 in the January 2023 POR]*

Group Scout Council membership

The ex officio members of the Group Scout Council are:

- a) all adult members of the Group – see Group roles listed in the Chapter 16 Roles Table
- b) all Patrol Leaders of the Troop(s) in the Group

- c) parents or carers of Squirrels, Beavers, Cubs and Scouts
- d) Explorers, if so stated in a Partnership Agreement between the Unit, the Group and the District
- e) parents and carers of Explorers, if so stated in a Partnership Agreement between the Unit, the Group and the District
- f) the Sponsoring Authority, where there is one, or its nominee
- g) the District Commissioner
- h) the District Trustee Board Chair

The nominated members of the Group Scout Council are other supporters of the Group appointed by the Group Scout Council on the recommendation of the Group Scout Leader and the Group Trustee Board. The number of nominated members must not exceed the number of ex officio members.

A nominated member of the Group Scout Council must be appointed for a fixed period not exceeding three years. Subsequent reappointments are permitted.

5.4.2.6 *[This is 5.4.2.2 in the January 2023 POR]*

The County Commissioner has a right of attendance at all Group Scout Council meetings in the County.

5.4.2.7 *[This is 5.4.3.1 and 5.4.3.2 in the January 2023 POR]*

District Scout Council membership

The ex officio members of the District Scout Council are:

- a) all adult members of the Scout District - see District roles in the Chapter 16 Roles Table
- b) all adults with the following appointments in the Scout Groups in the District
 - Group Scout Leader
 - Deputy Group Scout Leader
 - Group Trustee Board Chair
 - Group Trustee Board Secretary
 - Group Trustee Board Treasurer
 - Section Leader
 - Assistant Section Leader
 - Group Active Support Manager
- c) all Explorers (including Young Leaders)
- d) members of the District Scout Network
- e) parents and carers of Explorers
- f) a representative of the District Troop Leadership Forum, selected from amongst the membership of the Forum

- g) the County Commissioner
- h) the County Trustee Board Chair

The nominated members of the District Scout Council are other supporters of the Group appointed by the District Scout Council on the recommendation of the District Commissioner and the District Trustee Board. The number of nominated members must not exceed the actual number of elected members.

A nominated member of the District Scout Council must be appointed for a fixed period not exceeding three years. Subsequent reappointments are permitted.

5.4.2.8 [This is 5.4.4.1, 5.4.4.2 and 5.4.4.3 in the January 2023]

County Scout Council membership

The ex officio members of the County Scout Council are:

- a) all adult members of the Scout County - see County roles in the Chapter 16 Roles Table
- b) all adults with the following appointments in the Scout Districts in the County
 - District Commissioner
 - District Youth Commissioner
 - District Trustee Board Chair
 - District Trustee Board Secretary
 - District Trustee Board Treasurer
 - District Active Support Manager
- c) a representative of the County Troop Leadership Forum, selected from amongst the membership of the Forum
- d) a representative of the County Explorer Scout Forum, selected from amongst the membership of the Forum
- e) a representative of the Scout Network, selected from amongst the membership of the District Scout Networks in the County
- f) the Regional Commissioner (in England and Wales) or the Chief Commissioner (in Northern Ireland, Scotland, Wales and Overseas)

The nominated members of the County Scout Council are drawn from these four categories:

- a) members nominated by District Scout Councils
- b) Explorer Scout members nominated by District Explorer Scout Meetings
- c) District Scout Network members nominated by the District Scout Network
- d) other supporters of the County appointed by the County Scout Council on the recommendation of the County Commissioner and the County Trustee Board. They are not required to be members of the Scouts.

The number of persons nominated annually to the County Scout Council from each of the above categories is decided by the County Scout Council at their Annual General Meeting. The number of Nominated Members must not exceed the number of ex officio members.

Nominated members of the District Scout Council must be appointed for a fixed period not exceeding three years. Subsequent reappointments are permitted.

The County Scout Council may co-opt members at their Annual General Meeting. Such co-opted members may include representatives of organisations with whom it is desired to maintain co-operation. For example Girlguiding, religious bodies, schools or Education Authorities, Parish or Local Authorities, and other youth organisations.

Co-opted members are nominated by the County Commissioner. They are not required to be members of the Scouts.

The number of co-opted members must not exceed the total of ex officio and nominated members.

Co-opted (and other) members of Council have no membership status within Scouts (see 5.4.2.2).

5.4.2.9 *[This is from 5.4.1.4 in the January 2023 POR]*

Membership of the Scout Council ends upon:

- a) the resignation of the Scout Council member
- b) the member no longer qualifying as a member of the Scout Council
- c) dissolution of the Scout Council
- d) the termination of membership by UK Headquarters following a recommendation by the relevant Trustee Board.

5.4.3 Scout Council - Annual General Meeting

5.4.3.1 *[This is 5.4.5.1 in the January 2023 POR]*

Each Scout Council must hold an Annual General Meeting within six months of the end of the charity's financial year.

5.4.3.2 [Replaces 5.4.5.2 together with 5.4.5.2(a) and (f), also part of 5.5.3.3, in the January 2023 POR]

The Annual General Meeting must:

- a) Undertake governance oversight
 - adopt (or re-adopt) the constitution of the charity [Group, District or County as appropriate]. See rule 5.3.
 - note the dates of charity's financial year
 - agree the number of members that may be elected to the Trustee Board
 - agree the quorum for each of:
 - meetings of the Scout Council
 - meetings of the Trustee Board
 - meetings of any sub-Committees

- b) Review the previous year
 - receive and consider the Trustees' Annual Report and the annual statement of accounts prepared by the Trustee Board.

The accounts must have completed their examination by an appropriate auditor, independent examiner, or scrutineer (see 5.5.3).

The Trustees' Annual Report and Accounts presented to the Scout Council must include the formal report prepared by the auditor, independent examiner, or scrutineer.

- c) Make appointments
 - approve the Group Scout Leader's, District Commissioner's or County Commissioner's nomination of the Chair of the Trustee Board
 - approve the Group Scout Leader's, District Commissioner's or County Commissioner's nomination of members of the Trustee Board
 - elect a Secretary to the Trustee Board.
 - elect a Treasurer to the Trustee Board
 - elect Trustees to the Trustee Board
 - approve the appointment (or re-appointment) of any Presidents or Vice Presidents
 - appoint (or re-appoint) an auditor, independent examiner or scrutineer as required

5.4.3.3 The Annual General Meeting of a District Scout Council must:

- 1) nominate representatives of the District Scout Council to represent the District on the County Scout Council.

5.4.3.4 [This is 5.4.5.3 in the January 2023 POR]

The Annual General Meeting of a County Scout Council must:

- 1) elect representatives of the County Scout Council following Rule 6.5 to be nominated members of the Council of The Scout Association.
- 2) elect representatives of the County Scout Council as per Rule 6.5 to be nominated members (18-24) on the Council of The Scout Association

5.4.3.5 *[This is 5.4.5.4 in the January 2023 POR]*

Following each Annual General Meeting, the Secretary must ensure that:

- 1) all nominated or elected Trustees are recorded on the membership system, as required by Rule 16.1.3
- 2) the Trustee Annual Report and Accounts are filed as described in Rule 5.5

[The following is an addition - not in the January 2023 POR]

It is good practice for the Trustee Board to verify the draft Minutes of the Annual General Meeting at their first meeting following the Annual General Meeting, even though the minutes cannot be formally approved until the charity's next Annual General Meeting.

5.4.3.6 *[This is 5.4.5.5 in the January 2023 POR]*

Governance roles must be distinct to help manage conflict of interest. This means that the roles of Chair and Treasurer must not be combined in any way.

5.4.4 Trustee Board - purpose

This rule reflects the Trustee Board responsibilities until the point of the County's transition (in November 2023 or February 2024). From the point of transition, some of the Trustee Board responsibilities transfer to the appropriate Support Team or function – these changes will show in the October 2023 edition of POR.

[This is a change to the wording of 5.5.1.1 in the January 2023 POR; the change is to reflect the 'governance' focus of the Trustee Board.]

The Trustee Board is a team of volunteers who work together, as charity Trustees, to make sure the Scouts is run safely and legally. At the heart of their role is a focus on strategy, performance and assurance.

Effective Trustee support helps other volunteers run the Scout programme that gives young people skills for life.

5.4.4.1 *[This is the first sentence of 5.5.1.2 in the January 2023 POR]*

Members of the Trustee Board must act collectively as charity trustees of their charity, and in the best interests of the charity's members. ^{SV}

5.4.4.2 *[This is an updated 5.5.1.2 from the January 2023 POR – see also (e) below]*

The Trustee Board must act in the charity's best interests, acting with reasonable care and skill and take steps to be confident that:^{SV}

- a) The charity is:
 - well managed
 - carrying out its purposes for the public benefit
 - complying with the charity's governing document and the law
 - managing the charity's resources responsibly
- b) the charity is operating compliant with POR, including effective management of the Key Policies listed in chapter 2 - The Equal Opportunities Policy, Privacy and Data Protection Policy, Religious Policy, Safeguarding Policy, Safety Policy, Vetting Policy, Youth Member Anti-bullying Policy.
- c) young people are meaningfully involved in decision making at all levels
- d) there are sufficient resources (funds, people, property and equipment) available to meet the planned work of the Group, District or County (as appropriate) including delivery of the high quality programme and resource requirements of the training programme (Rule 4.2.2)
- e) the Scouts has a positive image in the local community

5.4.4.3

[This is an updated 5.5.1.2 from the January 2023 POR – see also (d) above]

The Trustee Board members must themselves collectively:

- a) develop and maintain a risk register, including putting in place appropriate mitigations
- b) ensure that the charity's finances are properly managed, including development and maintenance of appropriate budgets to support the work of the charity
- c) maintain and manage:
 - a reserves policy for the charity (including a plan for use of reserves outside the 'minimum')
 - an investment policy for the charity
 - a public benefit statement for the charity
- d) ensure that people, property and equipment are appropriately insured, and that any property and equipment owned or used by the charity is properly protected and maintained
- e) promote and support the development of Scouting in the local area.
- f) ensure the appointment and management and operation of any sub-committees, including appointing a Chair to lead the sub-committee
- g) ensure that effective administration is in place to support the work of the Trustee Board

- h) appoint any Administrators, Advisers and co-opted members of the Trustee Board
- i) ensure transparency of operation, including:
 - prepare and approve the Annual Accounts and arrange their examination by an auditor, independent examiner or scrutineer as appropriate and as appointed by the Scout Council at their Annual General Meeting
 - prepare and approve the Trustees' Annual Report (which must include the Annual Accounts)
 - present the approved Trustees' Annual Report and Annual Accounts to the Scout Council at the Annual General Meeting (AGM)
 - following the AGM, ensure that a copy of the Trustee Annual Report and Accounts is sent to the District or County Trustee Board administration and, if a registered charity, is filed with the appropriate charity regulator (if the regulator's rules require it).
- j) take responsibility for adherence to Data Protection Legislation recognising that, dependent on circumstances, it will at different times act as a Data Controller and as a Data Processor
- k) individually and collectively maintain confidentiality regarding appropriate Trustee Board business
- l) where staff are employed:
 - act as a responsible employer in accordance with Scouting's values and relevant legislation
 - ensure that effective line management is in place for each employed staff member and that these are clearly established and communicated
 - ensure that appropriate specific personnel insurance is in place

5.4.4.4 *[This is an updated 5.5.1.3 from the January 2023 POR]*

A Group Trustee Board must also:

- a) provide any necessary support to the Group Scout Leader, when required, to assist the opening, change, merging or closing of sections in the Group

5.4.4.5 *[This is an updated 5.5.1.4 from the January 2023 POR]*

A District Trustee Board must also:

- a) provide any necessary support to the District Commissioner, when required, to assist the opening, change, merging or closing of Groups, Explorer Units, Scout Networks and Scout Active Support Units in the District

5.4.4.6 *[This is an updated 5.5.1.5 from the January 2023 POR]*

A County Trustee Board must also:

- a) provide any necessary support to the County Commissioner, when required, to assist the opening, change, merging or closing of Districts, and Scout Active Support Units in the County

5.4.4.7 *[This expands 5.5.1.2(i) from the January 2023 POR]*

A Trustee Board may create sub-committees to manage the work it deems necessary ensuring that:

- a) the purpose of each sub-committee is clear and has been agreed by the Trustee Board
- b) each sub-committee of the Trustee Board consists of members approved by the Trustee Board
- c) the Chair of the Trustee Board is an ex officio member of each sub-committee
- d) the relevant Group Scout Leader, District Commissioner or County Commissioner is an ex officio member of each sub-committee

Members of sub-committees are not Trustees unless they are members of the Trustee Board.

5.4.4.8 In support of effective governance:

- a) the County Chair and Treasurer should create a support network amongst the District Chairs and Treasurers of the County.
- b) the District Chair and Treasurer should create a support network amongst the Group Chairs and Treasurers of the District.

5.4.5 Trustee Board - membership

5.4.5.1 Subject to the conflict of interest rules (see Chapter 16 and the definition of 'conflict of interest in the Definitions chapter), a Trustee may be a member of more than one Trustee Board.

5.4.5.2 *[This is 5.5.2.1 and 5.5.3.1 from the January 2023 POR plus noting invited persons/right of attendance]*

Ex officio, nominated, elected and co-opted members of the Trustee Board are charity Trustees of the Group, District or County as appropriate.

People invited to attend, or with right of attendance, may be present at the meeting but are not charity Trustees and have no voting rights.

5.4.5.3 *[This is 5.5.2.3 from the January 2023 POR]*

Certain people are disqualified from being charity trustees by virtue of the Charities Acts. (See rule 16.1.1.5).

5.4.5.4 *[This is 5.5.2.5 from the January 2023 POR]*

Some Groups, Districts and Counties may also need to register as a charity. (See Rule 13.1.2).^{SV}

5.4.5.5 [This is 5.5.2.6 from the January 2023 POR]

All Trustees must complete training as specified in Rule 16.2.1 and the Roles Table.

5.4.5.6 [This is 5.3.1.2 from the January 2023 POR]

At County and District, all Trustee Boards and any sub-committees should, wherever possible, have as full voting members at least two people aged between their 18th and 25th birthdays.

Groups are encouraged to follow this good practice wherever possible.

5.4.5.7 [Replaces 5.5.2.7 from the January 2023 POR]

The Group Trustee Board

a) The ex officio members of a Group Trustee Board are:^{SV}

- The Group Chair
- The Group Secretary (if appointed as a Trustee)
- The Group Treasurer
- The Group Scout Leader
- The Deputy Group Scout Leader
- All persons with a Section Leader role in a Squirrel, Beaver, Cub or Scout section in the Group, subject to that Section Leader stating to the AGM (in writing or orally at the meeting) that they are willing to be an ex officio member of the Group Trustee Board. (See also the introduction to Rule 4.6.)
- The Explorer Leader (if stated in a Partnership Agreement), subject to that Explorer Leader expressly indicating to the AGM (in writing or orally at the meeting) that they are willing to perform such a function.
- The Sponsoring Authority or its nominee

Where there are joint role holders (eg for Deputy Group Scout Leader), only one of the joint role holders should be an ex officio member of the Group Trustee Board. This must be decided jointly by the role holders in consultation with the Group Scout Leader and the Group Chair.

b) The elected members of a Group Trustee Board are persons elected by the Group Scout Council at the Group Annual General Meeting. The actual number of persons elected must be the subject of a resolution by the Group Scout Council at their AGM. There must be a maximum of six elected members.^{SV}

- c) The nominated members of a Group Trustee Board are persons nominated by the Group Scout Leader, in consultation with the Group Chair. The nominations must be approved at the Group Annual General Meeting. The number of nominated members must not exceed the actual number of elected members.
- d) The co-opted members of a Group Trustee Board are persons co-opted annually by the Group Trustee Board. The number of co-opted members must not exceed the actual number of elected members.
- e) The District Commissioner, the District Chair and the County Commissioner each have the right of attendance at meetings of each of the Group Trustee Boards in the Districts in the County.

5.4.5.8 [Replaces 5.5.2.8 from the January 2023 POR]

The District Trustee Board

- a) The ex officio members of a District Trustee Board are: ^{SV}
 - The District Chair
 - The District Commissioner
 - The District Youth Commissioner
 - The District Secretary (if appointed as a Trustee)
 - The District Treasurer
 - The District Explorer Scout Commissioner
 - The District Scout Network Commissioner

Where there are joint role holders (eg for District Youth Commissioner), only one of the joint role holders should be an ex officio member of the District Trustee Board. This must be decided jointly by the role holders in consultation with the District Commissioner and the District Chair.

- b) The elected members of a District Trustee Board are persons elected at the District Annual General Meeting. The actual number of persons elected must be the subject of a resolution by the District Scout Council at their AGM. There must be a maximum of six elected members^{SV}.
- c) The nominated members of a District Trustee Board are persons nominated by the District Commissioner, in consultation with the District Chair. The nominations must be approved at the District Annual General Meeting. The number of nominated members must not exceed the actual number of elected members.
- d) The co-opted members of a District Trustee Board are persons co-opted annually by the District Trustee Board. The number of co-opted members must not exceed the actual number of elected members.

- e) The County Commissioner and the County Chair have the right of attendance at meetings of each of the District Trustee Boards in the County.

5.4.5.9 [Replaces 5.5.2.9 from the January 2023 POR]

The County Trustee Board

- a) The ex officio members of a County Trustee Board are: ^{SV}
- The County Chair
 - The County Commissioner
 - The County Youth Commissioner
 - The County Secretary (if appointed as a Trustee)
 - The County Treasurer

Where there are joint role holders (eg for County Youth Commissioner), only one of the joint role holders should be an ex officio member of the County Trustee Board. This must be decided jointly by the role holders in consultation with the County Commissioner and the County Chair.

- b) The elected members of a County Trustee Board are persons elected at the County Annual General Meeting. The actual number of persons elected must be the subject of a resolution by the County Scout Council at their AGM. There must be a maximum of six elected members^{SV}.
- c) The nominated members of a County Trustee Board are persons nominated by the County Commissioner, in consultation with the County Chair. The nominations must be approved at the County Annual General Meeting. The number of nominated members must not exceed the actual number of elected members.
- d) The co-opted members of a County Trustee Board are persons co-opted annually by the County Trustee Board. The number of co-opted members must not exceed the actual number of elected members.
- e) These members have the right to attend meetings of the County Trustee Board:
- the Regional Commissioner in England and in Wales
 - the Chief Commissioner in Scotland and in Northern Ireland
 - the International Commissioner for British Scouts Overseas and for Gibraltar
- f) These members must be invited to attend meetings of the County Trustee Board:
- the County's Nominated Member(s) on the Council of The Scout Association

- the County's Nominated Youth Representative on the Council of The Scout Association

5.4.5.10 *[Replaces 5.5.2.10 from the January 2023 POR]*

If a Trustee Board Chair, Secretary (if appointed as a Trustee) or Treasurer resigns, then rule 16.6.3 must be followed.

5.4.6 Trustee Board - Conduct of meetings

5.4.6.1 *[5.5.3.1 from the January 2023 POR.]*

Only members of a Trustee Board as defined in 5.4.5 may vote in meetings of the Trustee Board.

5.4.6.2 *[5.5.3.3 from the January 2023 POR.]*

At its Annual General Meeting, the Scout Council must make a resolution defining a quorum for meetings of the Scout Council and the Trustee Board and its sub-Committees.

5.4.6.3 *[5.5.3.2 from the January 2023 POR.]*

Decisions are made by a majority of votes cast by those present at the meeting. In the event of an equal number of votes being cast on either side the Chair does not have a casting vote and the matter is taken not to have been carried.

5.4.6.4 *[5.5.3.4 from the January 2023 POR.]*

In order to discharge their responsibilities, the Trustee Board may meet by telephone and/or video conference as well as face to face when agreed by the appropriate Chair. This includes 'hybrid' meetings, where some members join by telephone or video.

5.4.6.5 *[5.5.3.5 from the January 2023 POR.]*

Electronic voting (such as email) is allowed for decision making of the Trustee Board when deemed appropriate by the Chair (for example, where a pressing matter arises between meetings). In such instances at least 75% of its members must approve the decision, and the outcome of the voting must be reported and recorded in the minutes at the next Trustee Board meeting.

Rule 5.5 Finance

5.5.1 Finance in Groups, Districts, Counties

5.5.1.1 Certain rules in this Rule 5.5 do not apply, without modification, in parts of the British Isles outside England and Wales. ^{SV}

- 5.5.1.2 Every Group, District and County is a separate charity and is under a statutory obligation to keep proper books of account.
- 5.5.1.3 The Charities Act 2011 applies directly only in England and Wales, but similar legislation applies elsewhere.
- 5.5.1.4 The Group, District or County Trustee Board must ensure that proper financial planning and budgetary control is operated (see 5.4.4.3.)
- 5.5.1.5 The Group, District or County Team Meeting, as appropriate, must be consulted on the financial planning of the Group's, District's or County's activities.
- 5.5.1.6 All expenditure not specifically planned within the Group, District or County Trustee Board's budget must be approved by the appropriate Trustee Board to ensure that any financial liability incurred can be met.
- 5.5.1.7 When entering into any financial or contractual obligation or commitment with another party, the persons concerned should make it clear to the other party that they are acting on behalf of the charity and not in a personal capacity.

5.5.2 Statement of accounts

- 5.5.2.1 A statement of accounts must be prepared annually and be scrutinised, independently examined or audited as appropriate in accordance with these Rules.
- 5.5.2.2 The Group Trustee Board must ensure that signed copies of the Trustees' annual report and accounts are sent to the District Treasurer within the 14 days following the relevant Annual General Meeting at which the annual report and accounts were received and considered.

The District Trustee Board must ensure that signed copies of the Trustees' annual report and accounts are sent to the County Treasurer within the 14 days following the relevant Annual General Meeting at which the annual report and accounts were received and considered.

For a County, PDF copies of the annual report and accounts must be sent to the Country and UK Headquarters within the 14 days following the County's Annual General Meeting at which the annual report and accounts were received and considered. When sending to UK Headquarters, email the copy of the annual report and accounts to finance@scouts.org.uk.
- 5.5.2.3 If the Group, District or County is a registered charity a copy of the annual report and accounts must also be sent to the appropriate charity regulator if the regulator's rules require it, within ten months of the financial year end.
- 5.5.2.4 The annual statement of accounts must account for all monies received or paid on behalf of the Group, District or County. This will include all sections, committees and Scout Active Support Units.

5.5.2.5 Accounting and Audit Requirements for Group, Districts, Counties/Areas and Scottish Regions.

- a) If the annual gross income or expenditure is above the limits laid down in the factsheet, the statement of accounts must be in the form of a Statement of Financial Activities (SOFA) with balance sheet.
- b) If the annual gross income or total income is less than the limits laid down in the factsheet, an annual receipts and payments account together with a statement of assets and liabilities may be prepared instead.

5.5.2.6 If the Group, District or County is a registered charity, the Trustee Annual Report and Accounts must include its charity number, particulars of any land occupied and assets, which form part of a permanent endowment together with details of any receipts or payments forming part of such an endowment.

A permanent endowment is an asset, for example a property held by the Group, District or County which may not be sold or disposed of.

The particulars of the trustees in whom such assets are vested also must be shown.

5.5.2.7 The annual statement of accounts must be in the format of one of four model annual statements available for download from Accounting and Reporting. These models are suitable for:

- a) receipts and payments accounts for a single fund unit, such as when there are no special funds whose use is restricted
- b) receipts and payments accounts for a multi fund unit, such as when where there are special funds in addition to a general fund
- c) accruals (SOFA) accounts for a single fund unit. Guidance and templates available from www.charitycorp.org
- d) accruals (SOFA) accounts for a multi fund unit. Guidance and templates available from www.charitycorp.org

The appropriate model will depend upon the gross annual income in the financial year and whether the Group, District or County has any special funds whose use is restricted to particular purposes rather than the general purposes of the Group, District or County.

5.5.3 **Independent examination of accounts**

5.5.3.1 At each Annual General Meeting of the Group, District or County Scout Council an auditor, independent examiner or scrutineer, as appropriate, must be appointed. Each Group, District or County must decide if it needs an auditor, independent examiner or scrutineer, by reference to Accounting and Audit Requirements for Group, Districts, Counties/Areas and Scottish Regions.

5.5.3.2 A report to the Trustee Board must be completed scrutineer, independent examiner or auditor in accordance with the appropriate model referred to in Accounting and Reporting.

5.5.4 Funds administered by Sections, Scout Active Support Units and other Sections in the Group, District or County ^{SV}

5.5.4.1 Subject to approval by the relevant Trustee Board, any section, unit or other activity (for example a Campsite, Scout Show or Scout Shop) that is not an separate charity must administer sums approved and allocated to it by the Trustee Board.

5.5.4.2 Subscriptions paid by members of any section, Scout Active Support Unit or other activity within a Group, District or County or on their behalf must be handed to the respective Treasurer or their nominee as soon as possible after receipt.

5.5.4.3 The receiving Treasurer should make the necessary records and pay the money into the Group, District or County bank account(s) as soon as practicable.

5.5.4.4 Each section, Scout Active Support Unit or other activity must keep a proper cash account which must be produced, together with supporting vouchers and the cash balance, to the respective Group, District or County Treasurer at least once in each period of three months.

5.5.5 Bank accounts

5.5.5.1 All monies received by or on behalf of the Group, District or County whether directly or from supporters, must be paid into a bank account, National Savings account or building society account held in the name of the Group, District or County.

5.5.5.2 The account(s) will be operated by the respective Treasurer and other members authorised by the relevant Trustee Board.

5.5.5.3 A minimum of two unrelated persons authorised by the Trustee Board must approve all withdrawals and payments.

5.5.5.4 Under no circumstances must any monies received by a section or supporter on behalf of the Group, District or County be paid into a private bank account.

5.5.5.5 Cash received at a specific activity may only be used to defray expenses of that same specific activity if the relevant Trustee Board has so authorised beforehand and if a proper account of the receipts and payments is kept.

5.5.5.6 Funds not immediately required must be transferred into a suitable investment account held in the name of the Group, District or County.

5.5.5.7 Group, District or County funds must be invested as specified by the Trustee Act 2000.^{SV}

5.5.6 Disposal of assets

5.5.6.1 Disposal of Group, District or County assets at amalgamation

- a) If two or more Groups, Districts or Counties amalgamate, the retiring Treasurers must prepare a statement of account at the date of the amalgamation.
- b) The statement, together with all Group, District or County assets, supported by all books of account and vouchers, must be handed to the Treasurer of the Group, District or County formed by the amalgamation.
- c) If the receiving Treasurer considers it necessary, after consultation with the Trustee Board, they may ask the Trustee Board to appoint an appropriate person to examine the accounts.

5.5.6.2 Disposal of District or County assets at Splitting

- a) This rule does not apply to Scout Groups.
- b) If a District is split into two or more separate Districts, or into parts which will be amalgamated with other Districts, the assets of the District should be divided into proportions approximately represented by the Scouting populations of each part after splitting.
- c) If a County is split into two or more separate Counties, or into parts, which will be amalgamated with other Counties, the assets of the County should be divided into proportions approximately represented by the Scout populations of each part after splitting.
- d) These proportions of the District or County assets should then be transferred to the Districts or County, which will in future be responsible for those parts of the old Districts or County.
- e) This will normally be done under the supervision of UK Headquarters.

5.5.6.3 Disposal of assets at closure

- a) If a Group, District or County is closed, the Treasurer must prepare a statement of account at the effective date of closure.
- b) For a Group, the statement, together with all assets, must be handed to the District Treasurer as soon as possible after the closure date and must be supported by all books of accounts and vouchers.
- c) For a District, the statement, together with all assets, must be handed to the County Treasurer as soon as possible after the closure date and must be supported by all books of accounts and vouchers.

- d) For a County, the statement, together with all assets, must be handed to the Country and UK Headquarters as soon as possible after the closure date and must be supported by all books of accounts and vouchers.
- e) The Treasurer as appropriate, will ensure that the statement of account is properly scrutinised, independently examined or audited as appropriate.

5.5.6.4 Assets or liabilities remaining after closure

- a) Any assets or liabilities remaining after the closure of a Group will automatically pass to the District Scout Council which may use or dispose of these assets at its absolute discretion. ^{SV}
- b) Any assets or liabilities remaining after the closure of a District will automatically pass to the County Scout Council, which may use or dispose of these assets at its absolute discretion. ^{SV}
- c) Any assets or liabilities remaining after the closure of a County will automatically pass to the Country Headquarters, which may use or dispose of these assets at its absolute discretion. ^{SV}

5.5.6.5 If there is any reasonable prospect of the Group, District or County being revived the disposal of these assets may be delayed for such a period as it thinks proper with a view to returning them to the revived Group, District or County.

5.5.6.6 The Trustee Board is responsible for preserving the statements of account and all accounting records of the Group.

5.5.7 Preservation of books of account

5.5.7.1 Statements of account and all existing accounting records must be preserved for at least 6 years from the end of the financial year in which they are made, or for such longer period as may be required by HMRC or other relevant body.

5.5.8 Payment of the membership subscription ^{SV}

5.5.8.1 In order to meet the costs of UK Headquarters services to the movement and the costs of organising and administering The Scout Association, and to meet The Scout Association's obligations to World Scouting, the Board of Trustees of The Scout Association requires a UK Headquarters Membership Subscription to be paid for each member aged under 18. ^{SV}

The amount of the membership subscription is decided annually by the Board of Trustees. ^{SV}

5.5.8.2 In addition, to meet local costs, the local Group, District and County may charge a membership subscription.

5.5.8.3 Every Group, District and County is responsible for the collection and payment of the UK Headquarters membership subscriptions and any Country, County

and District subscriptions in accordance with the numbers returned on the annual census return.

Payments should be remitted to the District Treasurer, County Treasurer or Country/UK Headquarters not later than the date annually notified locally.

- 5.5.8.4 Membership subscriptions may be collected from youth members or their parents by a method decided by the relevant Trustee Board.
- 5.5.8.5 The Group, District and County is encouraged to use the Gift Aid scheme for subscription payments.
- 5.5.8.6 The amount of the UK Headquarters membership subscription decided by the UK Headquarters Board of Trustees applies to the whole of the United Kingdom, and The Scout Association members overseas.

The Board of Trustees will decide what proportion, if any, is to be retained by the Country Councils of Northern Ireland, Scotland and Wales towards the costs of their own Country Headquarters services.

5.5.9 Fundraising

- 5.5.9.1 In order to maintain its work and to generate all that is needed to implement its training programme, the Scout movement has to support itself financially.
Groups, Districts and Counties are expected to generate sufficient funds to carry out their own programme of activities.
- 5.5.9.2 Fundraising carried out on behalf of Scouting must be conducted in accordance with the principles embodied in the Scout Promise and Law.
- 5.5.9.3 Within the provisions of this policy the methods of fundraising may be chosen so long as they are consistent with the Movement's reputation and good standing.
- 5.5.9.4 Fundraising conducted on behalf of Scouting may be by any means not forbidden by law, and which is acceptable to the local community, provided that:
 - a) the proceeds of the activity go wholly to the work of the Group, District or County or, in the case of joint activities with other organisations, that part of the proceeds allotted to the Group, District or County is wholly applied to the work of the Group
 - b) it does not encourage the habit of gambling.
- 5.5.9.5 Public collections of money are allowed provided that the legislation regarding age, action and location of collectors is complied with.

Collections may take place even though there is no visible reciprocal effort for the donation. Stickers and flags are appropriate. It is considered that value for

the donation has already been given to society by the work of the Scout Movement in and for the community.

Where the reason for the fundraising is stated, the proceeds must only be used for that purpose.

5.5.9.6 Joint Fundraising Projects

- a) Joint fundraising projects with other charitable organisations are permitted provided that the part of the proceeds allotted to the other organisation is used wholly for purposes other than those of private gain.
- b) Country Headquarters should be consulted if there is the slightest doubt as to the bona fides of the other organisation in respect of the purposes of the fundraising activity.
- c) When participating in a joint project, terms should be agreed and recorded in a Memorandum of Understanding or non-legal agreement.

5.5.9.7 Fundraising and the Law

- a) All fundraising undertaken on behalf of the Movement must be carried out as prescribed by the law. This will include those regulations governing house to house collections, street collections, lotteries, gaming, children and young persons. Details can be obtained from the Fundraising Support section of the Scouts website.

5.5.9.8 Lotteries and Gaming

- a) If a Group, District or County considers raising funds by means governed by any legislation as detailed at Rule 5.5.9.7, the proposed activity must have the recorded approval of the Trustee Board and Sponsoring Authority, if any, and – for a Group - the District Chair.
- b) Regard must be paid to the views of parents and to local public opinion. Activities affected by this legislation include raffles, whist drives and similar methods of fundraising involving participation on payment of stakes.
- c) The promoter of any fundraising activity governed by legislation should be a member of the appropriate Trustee Board.
- d) Groups, Districts or Counties in the areas adjacent should be informed of the proposed activity. Care must be taken to contain the activity within as close an area to that in which the Group or District or County operates as practical.
- e) Any advertising material used must conform with the requirements of the legislation and must not contain any matter which is not in strict conformity with the standards of the Movement.

- f) If the Group, District or County (as appropriate) is a registered charity, this fact must be stated in any advertising material.

5.5.9.9 Appeals for Funds

- a) Groups, Districts and Counties may not issue general appeals for funds.
- b) In exceptional circumstances:
 - Groups must seek approval from the District Trustee Board:
 - Districts must seek approval from the County Trustee Board (who must consult the Country Headquarters)
 - Counties must seek approval from UK Headquarters.
- c) Any permitted appeal must not exceed the boundaries of the District in which the Group is located, or of the District or County as appropriate.

5.5.9.10 Professional Fundraisers

- a) Groups may not appoint a professional fundraiser without the approval of the District Trustee Board who must ensure that the requirements of the legislation are fully complied with.

Districts may not appoint a professional fundraiser without the approval of the County Trustee Board who must ensure that the requirements of the legislation are fully complied with.

Counties may appoint a professional fundraiser.

- b) All legislation associated with fundraising must be fully complied with.

5.5.10 Grant Aid and Loans

5.5.10.1 Provided that a Group raises a proportion of its own funds, it may accept financial support in the form of grant aid or loans.

5.5.10.2 Applications for grants or loans

- a) Group and District applications for grants or loans from Local Authorities must be approved by the District Chair and the County Commissioner before submission.
- b) County applications for grants or loans from Local Authorities must be approved by the County Chair and the County Commissioner before Submission.
- c) Group applications for grants or loans from UK Headquarters must have the approval of the Group Chair and the District Commissioner.
- d) District applications for grants or loans from UK Headquarters must have the approval of the District Chair and the County Commissioner.
- e) County applications for grants or loans from UK Headquarters must have the approval of the County Chair and the County Commissioner.

- f) Group applications for grants or loans from sources other than those referred to above must have the approval of the Group Chair and of the District Commissioner if the latter so directs.
- g) District applications for grants or loans from sources other than those referred to above must have the approval of the District Chair and of the County Commissioner if the latter so directs.
- h) County applications for grants or loans from sources other than those referred to above must have the approval of the County Chair and of the County Commissioner if the latter so directs.

5.5.10.3 If changes are being planned about how grants may be spent which differ from what was originally proposed, the funder's approval must first be obtained in writing if that is a requirement of the grant awarded.