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**Co-operatives UK, Holyoake House, Hanover Street, Manchester M60 0AS
www.uk.coop**

Version : Tenant Management Housing Co-op Model

Co-operative and Community Benefit Societies Act 2014

Rules of

Five Ways Housing Management Co-operative Limited

NAME AND STATUS

1. The name of the Co-operative shall be Five Ways Housing Management Co-operative Limited [the "Co-operative"].
2. The Co-operative is registered under the provisions of the Co-operative and Community Benefit Societies Act ["the Act"]

OBJECTS

3. The Co-operative is formed for the benefit of the community in the Area surrounded by Milton Court Road, Woodpecker Road and Edward Street, London SE14, which shall be called "the Area". The objects of the Co-operative shall be:
 - (a) the provision of housing management services on the Co-operative Principles as set out in Appendix 1 to these rules [the "Co-operative Principles"] to members of the Co-operative and to the occupants of housing which is subject to a management agreement under which the Co-operative acts as managing agent for the housing owner which remains the Landlord; and/or
 - (b) the promotion of the sustainable not for profit social, environmental and economic development of the Co-operative and the community of which the Co-operative is part having regard to the environmental impact of the Co-operative's activities and services with the aim of reducing the Co-operative's carbon footprint; and/or
 - (c) the promotion of any services that contribute to wider regeneration including the creation of employment, the advancement of education and training, relief of poverty, the provision of public amenities and recreational facilities, and the promotion of public safety and the prevention of crime within the Area; and/or
 - ~~(e)~~(d) the provision of support and assistance to other organisations with like objects or whose objects are to provide support and/or assistance in the finance, development, management, promotion, education or administration of housing co-operatives and/or tenant management organisations or the promotion of the application of the Co-operative Principles to other areas of social, economic and environmental sustainability.

POWERS

4. The Co-operative shall have the power to do all things necessary or expedient for the fulfilment of its objects, except as expressly prohibited in these rules.

COMMITMENT TO DIVERSITY, EQUALITY AND RESPECT

5. In fulfilment of its commitment to apply the 1st Co-operative Principle to achieving its objectives the Co-operative shall actively seek to eliminate discrimination, ensure equality of opportunity, value the diversity of human society and treat every individual with dignity and respect. No member or person or groups of people wishing to become members or to use the services provided by the Co-operative shall be treated less favourably because of any matter which causes them to be treated unfairly or with injustice. The Co-operative shall maintain and implement an equality and diversity policy which complies with all relevant legislation and accords with current equality and diversity codes and best practice.

TRADING

6. The Co-operative shall not trade for profit. Any surpluses from the Co-operative's activities shall not be treated as profit and may be used to further the Co-operative's objects and/or in accordance with these rules and the Co-operative Principles.

NON-SUBSIDIARY STATUS

7. In accordance with the 4th Co-operative principle, the Co-operative is not a subsidiary of another organisation and may not become a subsidiary of another organisation.

REGISTERED OFFICE

8. The Co-operative's registered office is [25A Milton Court Road, London SE14 6JL](#). Notice of any change of address of the registered office shall be sent to the Registrar within fourteen days of such change or within such other time as may be required by the Registrar.

SHARE CAPITAL AND MEMBERSHIP

9. The share capital of the Co-operative shall be raised by the issue of shares. Each share has the nominal value of £1. A share shall be issued to each member upon admission to membership of the Co-operative. A member of the Co-operative shall be a person who holds a share in the Co-operative and whose name is entered in the register of members. Shares shall not be withdrawable or transferable, and shall carry no right to interest, dividend or bonus. When a member ceases to be a member or is expelled from the Co-operative, his or her share shall be cancelled. The amount paid up shall become the property of the Co-operative.
10. The register of members shall include the name and address of each member. It shall be the responsibility of the member to advise the Co-operative of any change to his or her address. Any requirement in the Act or in these rules that a notice be served on the member shall be satisfied if notice has been delivered to the address recorded in the register of members. Each notice or communication sent by the Co-operative to a member by post addressed to the member at the address for that member in the register of members shall be deemed to have been duly served on the member 48 hours after having been posted or sent to the member by electronic means.
11. Every member shall take up and hold only one share in the Co-operative. Shares shall not be held jointly.

APPLICATION FOR MEMBERSHIP

~~42.~~ The committee may within their absolute discretion and in accordance with the procedure which may be laid down from time to time by the Co-operative in general meeting admit or refuse to admit any person to membership of the Co-operative save that such person must be a Lawful Resident Tenant of any housing which is subject to a management agreement under which the Co-operative acts as managing agent for the Landlord or which is within the Co-operative's area of operation.

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~~43.~~12. Every application for membership shall be made to the committee at the registered office of the Co-operative. The committee shall consider any membership application and, if it is approved, the applicant shall be required to forward the sum of £1. On receipt of such sum by the Co-operative, the name and other necessary particulars of the applicant shall be entered into the register of members as a member. One share in the Co-operative shall be issued to the applicant.

~~44.~~13. A person shall not be admitted to membership if s/he is under the age of 16 years.

TERMINATION OF MEMBERSHIP

~~45.~~14. A member shall cease to be a member if:

- (a) they die; or
- (b) the member resigns by giving one month's notice in writing to the secretary of his/her intention to resign; or
- (c) they are expelled from membership in accordance with these rules; or
- (d) the member ceases to satisfy the definition of Lawful Resident Tenant; or
- (e) they are, in the opinion of the committee, in material or serious breach of the agreement that enables them to satisfy the definition of Lawful Resident Tenant.

~~46.~~15. The date on which any member ceases to be a member shall be entered in the register of members.

EXPULSION FROM MEMBERSHIP

~~47.~~16. Where the Co-operative is in receipt of a complaint against a member pertaining to their conduct potentially being detrimental to the interest of the Co-operative, that member may be expelled by a resolution carried by the votes of two-thirds of the members present and voting at a general meeting of the Co-operative of which due notice has been given and provided that the following rules apply to the process:

- (a) The committee must give the member at least one month's notice in writing of the general meeting. The notice to the member must set out the particulars of the complaint and must call upon the member to answer the complaint and attend the meeting.
- (b) At the meeting the members present shall consider the evidence in support of the complaint and such evidence as the member facing expulsion may wish to place before them (if any). The meeting may take place even if the member does not attend.

- (c) If a resolution to expel the member is passed in accordance with this rule, the member shall immediately cease to be a member of the Co-operative.

48-17. No person who has been expelled from membership shall be readmitted except by a resolution by the votes of at least two-thirds of the members present and voting at a general meeting of which due notice has been given.

DEATH OR BANKRUPTCY OF A MEMBER

49-18. A member may, in accordance with the Act, nominate a person or persons to whom any of their property held by the Co-operative, other than share capital, shall be transferred at their death.

20-19. Upon a claim being made to any property held by the Co-operative by the personal representatives of a deceased member or the trustees in bankruptcy of a bankrupt member, the Co-operative shall, on receiving satisfactory proof of the death of the member who has made a nomination or satisfactory proof of bankruptcy, pay or transfer any property to which the representative or trustee has become entitled.

GENERAL MEETINGS

24-20. The Co-operative shall meet in general meetings, which shall be either an annual general meeting or an ordinary general meeting.

CONVENING GENERAL MEETINGS

22-21. Each general meeting shall be convened by the secretary by at least 14 clear days' written notice posted to or delivered by hand or sent by electronic means to every member at the address (which may include an address provided by the member to the Co-operative for the receipt of correspondence from the Co-operative by electronic means) given in the register of members. Two-thirds of members may agree, in writing or by confirming through electronic means, to a general meeting being held with less than fourteen clear days' notice.

23-22. Each notice convening a general meeting shall state which type of general meeting is being convened, the date, time and place of the meeting and the business to be transacted at the meeting.

24-23. Proceedings at a general meeting shall not be invalidated by reason of accidental omission to send notice of the meeting to a member, or by non-receipt of such notice by a member.

25-24. Each member shall be entitled to attend and vote at a general meeting on production of such evidence of membership as set out in the notice of the meeting.

~~26-25.~~ The time, date and place of each general meeting shall be determined by the committee. However, if the Secretary fails to convene an ordinary general meeting having been served with a members' requisition to do so under the rules titled 'Provisions applicable to convening ordinary general meetings,' the date and place of that meeting shall be determined by the members convening the meeting.

PROVISIONS APPLICABLE TO ANNUAL GENERAL MEETINGS

~~27-26.~~ An annual general meeting shall be held within six months of the end of each financial year of the Co-operative or such later date as may be permitted by law.

~~28-27.~~ The functions of the annual general meeting shall be to:

- (a) receive the accounts and balance sheet together with the auditor's report (if one is required by law) for the preceding financial year; and
- (b) receive a report by the committee on the state of affairs of the Co-operative, signed by the chair of the committee meeting at which the report was adopted for presentation to the annual general meeting; and
- (c) elect the committee for the coming year; and
- (d) decide the frequency of ordinary general meetings to be held during the coming year; and
- (e) appoint the auditor or (if required by law) or organise the alternative arrangements for the review of the Co-operative's affairs;
- (f) consider any other resolutions relating to the business of the Co-operative which have been included in the notice convening the meeting.

PROVISIONS APPLICABLE TO ORDINARY GENERAL MEETINGS

~~29-28.~~ Ordinary general meetings shall be held at such times as may be decided by the Co-operative at its annual general meeting or convened as provided for in under the rules titled 'Provisions applicable to convening ordinary general meetings'.

~~30-29.~~ The functions of ordinary general meetings shall be to:

- (a) receive reports on the state of affairs of the Co-operative from the Committee which the Co-operative may from time to time in general meeting determine should be considered; and

- (b) consider any business which the Committee considers to be a policy matter that should be referred to the members in general meeting for decision; and/or
- (c) consider any other resolutions relating to the business of the Co-operative which have been included in the notice convening the meeting.

PROVISIONS APPLICABLE TO CONVENING ORDINARY GENERAL MEETINGS

~~34.30.~~ An ordinary general meeting shall be convened at such a time as may be decided by the Co-operative at its annual general meeting, or by order of the committee, or upon a written requisition to the secretary signed by one-tenth of the shareholders or twenty shareholders whichever is the less~~not fewer than six members of the Co-operative or one-tenth of the members of the Co-operative, whichever shall be the greater number.~~ Such requisition from members shall state the business for which the meeting is to be convened.

~~32.31.~~ The secretary shall convene the meeting at the time required by the general meeting or, if the general meeting is a meeting requisitioned by members, the meeting shall be convened by the secretary within five clear days of receipt of the requisition and the date of the meeting shall be within 28 clear days of the date of receipt by the secretary of the requisition from members.

~~33.32.~~ In the event of the secretary's failing to convene an ordinary general meeting requisitioned by members, the committee or requisitioners may themselves give notice of and convene the meeting and any reasonable expenditure incurred by them in convening the meeting shall be reimbursed to them by the Co-operative.

~~34.33.~~ The only business which shall be transacted at a general meeting is that mentioned in the notice convening the meeting.

QUORUM FOR GENERAL MEETINGS

~~35.34.~~ No business shall be transacted at any general meeting unless a quorum of members is present [either in person or by telephone, video conferencing or by other communications equipment such that the person can hear, comment and vote on proceedings] at the time the meeting proceeds to business. Six members, or if the number of members at any time exceeds 60 members, one tenth of the total number of members [present in person, by communications equipment or by proxy] shall form a quorum.

~~36.35.~~ If no quorum is present within half an hour of the time appointed for the meeting, the meeting shall stand adjourned until reconvened in accordance with the provisions of the rule titled 'Adjourning General Meetings.'

ADJOURNING GENERAL MEETINGS

~~37.36.~~ The chair of the meeting may, with the consent of a majority of the members present evidenced by a show of hands or a secret ballot, adjourn any meeting but no business shall be transacted at any adjourned meeting other than the business not received or left unfinished at the meeting from which the adjournment took place.

~~38.37.~~ If a meeting is adjourned for the want of a quorum, the secretary shall make such arrangements as may be necessary for the adjourned meeting to be reconvened within ten clear days of the original date of meeting. The place, date and time at which such an adjourned meeting shall be reconvened shall be communicated to each member by notice in writing, such notice being duly served not less than 48 hours before the time at which the reconvened meeting shall commence.

~~39.38.~~ Every adjourned meeting shall be deemed a continuation of the original meeting and any resolution passed at the adjourned meeting shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

~~40.39.~~ If at an adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the members present shall be a quorum.

~~41.40.~~ If the meeting is an ordinary general meeting convened on receipt of a written requisition from members and no quorum is present within half an hour of the time appointed for the meeting then the meeting shall not be adjourned and the business for which the meeting was called shall not be considered unless it is included in the notice by which another general meeting is convened in accordance with these rules.

PROCEEDINGS AT GENERAL MEETINGS

~~42.41.~~ Conduct of general meetings shall be in accordance with such standing orders as may from time to time exist, subject to, and in so far as any such standing orders do not conflict with these rules.

~~43.42.~~ At all general meetings of the Co-operative the chair of the Co-operative shall preside as chair or if he or she is not present or is unwilling to act, the vice-chair shall preside and, in the event of her/his absence or unwillingness to act, the members present shall elect a member to be the chair of the meeting. If no committee member is present or willing to act the members present at the meeting shall elect a member from among themselves to chair the meeting. The chair's responsibilities will be set out in a written document and agreed by the committee at general meeting.

VOTING AT GENERAL MEETINGS

~~44.43.~~ Every member present in person at a general meeting shall have one vote. Except where otherwise specified in these rules, resolutions at general meetings shall be decided by a majority vote of members present and voting or voting by proxy. At any general meeting no member may act as a proxy voter for more than two other members.

~~45.44.~~ A member may exercise his or her vote at a general meeting by proxy by nominating another member to cast his or her vote at the meeting on his or her behalf. Such nomination must be:

- (a) in writing; and
- (b) give the name and address of the member authorised to exercise the proxy vote; and
- (c) be signed by the nominating member; and
- (d) be delivered to the secretary which may be by way of electronic means, no later than three clear days before the date of the meeting.

46-45. Votes shall be taken openly by a show of hands from members present and by the raising of a copy of a duly signed proxy voting form by members voting by proxy on behalf of absent members unless, before a resolution is put to the vote, a secret ballot is demanded by not less than one tenth of the members present at the meeting. Voting shall be conducted under the direction of the chair in accordance with such standing orders as may have been agreed by the Co-operative in general meeting. A resolution on which voting is tied shall be deemed to have fallen. Because voting on tied resolutions are deemed to have fallen, the chair shall not have a second or casting vote.

47-46. Any question as to the acceptability of any votes shall be determined by the chair. The chair's decision as to the acceptability of any votes shall be final unless a member challenges the decision of the chair. If a challenge is made to the chair's decision about the acceptability of any vote the matter shall immediately be put to the meeting and the acceptability or unacceptability of the chair's decision shall be decided by majority vote for or against the chair's decision on a show of hands by those members present. Proxy votes shall not be counted in deciding the acceptability or unacceptability of the chair's decision.

MANAGEMENT COMMITTEE

47. The Co-operative shall have a management committee [called "the committee"] which shall control and direct the management of the day to day business of the Co-operative in accordance with its objects and these rules and ensure that its functions are properly performed. The committee at the time of the registration of these rules as an amendment of rules shall remain in office until the next annual general meeting of the Co-operative at which it shall elect its committee in accordance with the 'Committee Nominations' and 'Committee Elections' provisions in these rules.

48. Amongst the Committee's functions shall be to:

- (a) define and ensure compliance with the values and objectives of the Society and ensure these are set out in each annual report;
- (b) establish policies and plans to achieve those objectives;
- (c) approve each year's accounts prior to publication and approve each year's budget;
- (d) establish and oversee a framework of delegation and systems of control;
- (e) agree policies and make decisions on all matters that create significant financial risk to the Society, or which affect material issues of principle;
- (f) monitor the Society's performance in relation to these plans, budget, controls and decisions;
- (g) appoint (and if necessary remove) the Chief Officer (if any and if falling within the Society's authority);
- (h) satisfy itself that the Society's affairs are conducted in accordance with generally accepted standards of performance and propriety;

- (i) take appropriate advice;
- (i) oversee the negotiation of the management agreement and allowances with the Council and oversee its operation.

48-49. And none of these functions as listed in the bullet points above shall be delegated.

50. The committee shall consist of not less than ~~five-six~~ five elected committee members (who must be shareholders), or of such greater number not more than 12 as may be decided by the Co-operative in general meeting, plus persons co-opted in accordance with the provisions of these rules.

51. A majority of Committee members shall always be tenant's residing in 'the Area' and of households under the management of the tenant management organisation. The Committee will aim to reflect the tenure composition in 'the Area'.

52. The Committee, in accordance with the election procedures set by the Co-operative, shall endeavour to ensure that the Committee possesses the quality, skills, competencies and experience which the Committee has from time to time determined that it requires.

53. The Committee shall make available the obligations of every Committee member to the Committee and to the Society. The Committee shall review and may amend the obligations of Committee members from time to time.

54. No Committee member may act as such until they have signed and delivered to the Committee a statement, confirming that they will meet their obligations to the Committee and to the Society. The Committee may vary the form of statement from time to time.

49-55. Any Committee member who has not signed such statement without good cause within one month of election or appointment to the Committee shall immediately cease to be a Committee member

56. The committee may from time to time co-opt for any period any suitable persons, whether members of the Co-operative or not, to serve on the committee and may remove such persons. A person co-opted under this rule may take part in the deliberations of the committee and vote at any meeting of the committee. A person may not be co-opted to the committee if their co-option increases the size of the committee beyond the maximum number determined by these rules. Not more than three co-optees shall serve on the committee at any one time or if the maximum number of committee members determined under these rules is the minimum of five, only two persons may serve as co-optees.

57. There are two categories of co-opted Committee members:

- (a) Co-opted Committee members sought to ensure the Committee has appropriate skills:
 - (i) The Committee may at any time co-opt Committee members for their skills, knowledge and qualities who do not reside in the Area provided that persons so co-opted shall never exceed one third of the total Committee.

- (ii) Such voting co-optees shall not be counted for purposes of calculating a quorum but shall otherwise be full members of the Committee.
 - (iii) Such co-opted Committee members have full speaking and voting rights at meetings of the Committee except they cannot vote on the election of officers.
 - (iv) Any person co-opted by the Committee may be removed by a majority vote of the Committee.
- (b) Co-opted Committee members sought to fill casual vacancies who live in the Area:
- (i) If the Committee falls below the minimum number as expressed in these rules, the Committee shall act to fill such vacancies or to call a general meeting of the Society, and for no other purpose.
 - (ii) The Committee may at any time co-opt any member to fill any casual vacancy on the Committee provided that members so co-opted shall never exceed one third of the total Committee. Priority for co-option shall be given to members who were nominated but not elected at the previous annual general meeting, in order of number of votes cast.
 - (iii) Subject to these rules co-opted members of the Committee shall serve until the annual general meeting following their co-option but shall thereafter be eligible for further co-option. Co-opted members are eligible to stand for election to the Committee on standing down.
 - (iv) Any person co-opted by the Committee may be removed by a majority vote of the Committee.
- 50.(v) Such co-opted Committee members have full speaking and voting rights at meetings of the Committee and can vote on the election of officers and any matter affecting shareholders. These co-opted members shall be counted for purposes of calculating a quorum.

ELECTION OF COMMITTEE AND OFFICERS

58. At every annual general meeting not less than one third of the elected Committee members shall retire from office.
59. Committee members forming the retiring third shall be those who have been longest in office since they were last elected or re-elected to the Committee. If the choice is between people who became Committee members on the same day those to retire shall be chosen by lot if not agreed.
60. Anybody appointed to fill a casual vacancy under these rules during the year and who retires for that reason shall not count towards the one third to retire. At every annual general meeting of the Co-operative all the committee members for the time being shall retire from office.

54-61. A retiring committee member shall be eligible for re-election but must be duly nominated as provided for in rules entitled 'Committee Nominations'.

COMMITTEE NOMINATIONS

52-62. Nominations of members willing to stand for election to the committee shall:

- (a) be in writing; and
- (b) state the full name, address and occupation of the member nominated; and
- (c) be signed by the member making the nomination; and
- (d) contain a signed statement by the member nominated of his or her willingness to be elected to the committee; and
- (e) contain a statement by the member nominated of his or her willingness to accept the responsibilities of a member of the committee as required by the rule titled 'Responsibilities of Committee Members'; and
- (f) contain a statement that confirms that the member would not be ineligible for membership of the committee by virtue of sub rules (a) to (f) of the rule titled 'Termination of a Committee Member's Appointment' currently applying to the member; and
- (g) be left at the registered office of the Co-operative, or with the secretary of the Co-operative at the address specified on the nomination form issued with the notice of the meeting, not later than seven clear days before the date appointed for the general meeting at which elections are to take place.

53-63. Candidates standing for election may also make a statement, not longer than one hundred words, in support of their candidacy which, if made, shall be circulated by the secretary to all members of the Co-operative not later than three clear days before the meeting at which elections are to take place.

54-64. The committee shall at their first meeting after each annual general meeting, elect a chair who is a committee member and member of the Co-operative, and elect a secretary and a treasurer, who each may or may not be committee members or members of the Co-operative, to serve until the close of the next annual general meeting.

COMMITTEE ELECTIONS

55-65. The election of committee members shall be conducted in the following manner:

- (a) if at any annual general meeting the committee members offering themselves for re-election together with any other of the members duly nominated for election to the committee do not exceed the number of committee members to be elected, and provided that the members in general meeting have not increased the maximum number of Committee members determined under these rules,
 - (i) the committee members standing for re-election and the members duly nominated shall be declared by the chair to have been duly elected or re-elected unopposed unless the election of one or more committee members is challenged and their election to the committee is not ratified under the provisions of sub-rule [b] of this rule; and

- (ii) the meeting may, if the members present decide to do so by a majority vote on a show of hands, accept nominations from the floor to fill the vacancies which remain;
- (b) if any member wishes to oppose any named and duly nominated member being returned unopposed to the committee the member opposing the person or persons election may request that the question may be put to a vote at the meeting, which vote shall be either by show of hands or by secret ballot as the meeting shall determine. The member or members opposed shall be declared elected or re-elected unopposed only if a majority of members voting in person or by proxy vote ratify their election;
- (c) if the committee members standing for re-election and other members duly nominated to serve as committee members exceed the number of committee members to be elected, the secretary or in the absence of the secretary the chair of the Co-operative or other member of the committee nominated by the committee to act as Returning Officer for the election shall, prior to the general meeting at which the elections are to take place and after the date for the close of nominations, prepare or cause to be prepared a ballot paper for the election of committee members: the ballot paper shall state that it is for the election of committee members, give the full names of the members nominated for election to the committee and make provision for a member to record his/her vote on the ballot paper;
- (d) each member present in person shall be entitled to one vote for each vacancy to be filled but shall not give more than one vote to any one candidate;
- (e) the votes cast for each candidate shall then be counted and the candidates placed in order according to the number of votes cast for each of them;
- (f) the member with the highest number of votes shall be declared elected to the committee followed by the member with the second highest number of votes and so forth until all the available places on the committee are filled. If, however, there is a tie of votes among the lowest scoring candidates for the last available place or places on the committee those to be elected from the lowest scoring candidates shall be chosen by the drawing of lots.

CASUAL VACANCIES ON THE COMMITTEE

56-66. If a vacancy on the committee is not filled by election at the annual general meeting, or if a casual vacancy occurs because of the death, resignation or removal of a committee member and this vacancy is not filled at the meeting, it may be filled by the committee.

REMOVAL OF COMMITTEE MEMBERS

57-67. A committee member may be removed from office either:

- (a) by a resolution stating the intention to remove the committee member and the reason for doing so carried by a majority of the votes given in person or by proxy in favour of the resolution to remove the committee member at a general meeting at which the resolution to remove the named committee member

appeared on the notice convening the meeting. If the general meeting votes to remove the committee member, such general meeting shall also determine by majority vote, dependent on the severity of the behaviour that has led to the vote being taken, the length of time, which may be permanent, for which the member shall not be eligible to stand for election to the committee; or

- (b) by a resolution to remove the committee member from office passed by a majority two-thirds of the members of the committee present and voting at a duly convened meeting of the committee if in the reasonable opinion of the committee, the committee member is in breach of:
 - (i) his or her tenancy or lease and has, within a reasonable time of being notified of it, failed to rectify the breach or has had legal proceedings for the termination of his/her tenancy or lease commenced against them; or
 - (ii) is in breach of their obligations as committee members, the co-operative's rules, policies or procedures, the Co-operative's Code of Conduct or the Code of Governance for housing co-operatives published jointly from time to time by the National Housing Federation and the Confederation of Co-operative Housing or similar corporate governance code approved by the Co-operative as its code of conduct and governance, or if they are guilty of conduct detrimental to the interests of the co-operative and the committee member fails to give an undertaking that they will, in future, comply with such code, remedy the breach or having given such an undertaking fails to comply with the undertaking so given; or
 - (iii) any other reason deemed by the committee as material or serious enough to warrant removal of the member from the committee.

~~58-68.~~ If the committee meeting votes to remove the committee member, such committee meeting shall also determine by majority vote of those present, dependent on the severity of the behaviour that has led to the vote being taken, the length of time, which may be permanent, for which the member shall not be eligible to stand for election to the committee.

~~59-69.~~ The general meeting at which a committee member is removed may proceed to fill the vacancy in accordance with the election procedures set out in rule titled 'Committee Elections', save that nominations for the vacancy created may be made from the floor of the meeting and the ballot papers for the election may be provided in the manner the chair of the meeting directs.

TERMINATION OF A COMMITTEE MEMBER'S APPOINTMENT

~~60-70.~~ A committee member shall be deemed to have vacated his or her office if:

- (a) he/she becomes bankrupt or enters into an individual voluntary arrangement with creditors; or
- (b) he/she ceases to be a member under (save where the committee member is a non-member co-opted under these rules); or

- (c) he/she is disqualified from acting as a director of a company under the provisions of the Company Directors Disqualification Act 1986, the Companies Act 2006, the Insolvency Act 1986 or any other legislation that disqualifies a person from serving as a director of a company, a charity or a co-operative or a community benefit society for any reason; or
- (d) he/she is convicted of an indictable offence which is not, or cannot be, spent; or
- (e) he/she is convicted of any violent offence, such as:
 - (i) an offence against a person under the provisions of the Offences Against the Person Act 1861; or
 - (ii) common assault; or
 - (iii) assault on a police officer in the course of carrying out their duty; or
 - (iv) any other violent act; or
- ~~(f)~~ a registered medical practitioner who is treating the committee member gives a written opinion to the Co-operative stating that the person has become mentally incapable of acting as a committee member and may remain so for more than three months; or
- ~~(g)~~ he/she is a local authority secure or introductory Lawful Resident in the Area and is more than 8 weeks rent in arrears, unless in the opinion of the Chief Officer, having scrutinised supporting evidence, such arrears are caused by circumstances beyond the Lawful Resident's control.; or
- ~~(h)~~ he/she is a leaseholder in the Area, is more than two months in arrears or two agreed instalments unless in the opinion of the Chief Officer, having scrutinised supporting evidence, such arrears are caused by circumstances beyond the leaseholders control;
- ~~(i)~~ he/she is a local authority Lawful Resident or leaseholder or resident and in the opinion of the Committee are in material or serious breach of their tenancy agreement or lease or are subject to a possession order or are in breach of a suspended possession order, or are subject to any of the following types of court order: anti-social behaviour order, anti-social behaviour injunction, demoted tenancy, or closure order; or
~~(f)~~
- ~~(g)~~~~(j)~~ he/she absents him or herself from three consecutive meetings of the Committee in one rolling 12-month period without special leave of absence from the committee; or
- ~~(h)~~~~(k)~~ he/she fails to sign the statement of committee members responsibilities within one month of being required to do so unless the committee agree that there is reasonable cause for the delay.

AVOIDANCE AND DECLARATION OF CONFLICTS OF INTEREST

~~64.71.~~ Committee members shall at all times seek to avoid conflicts of interest between his or her personal activities and his or her role as a committee member of the Co-

operative. Each committee member shall be required to declare their interests as they arise and once a year, each committee member shall be required to complete a declaration of interest form on which any known or potential conflict of interest shall be disclosed. Any conflict or potential conflict of interest disclosed shall be recorded by the secretary in a conflict of interest register which shall be open for inspection at the Co-operative's registered office.

62.72. Where a conflict of interest cannot be avoided, any committee member who is interested or has a member of his/her household or a close relative who is interested either:

- (a) personally; or
- (b) as a member of a firm; or
- (c) owner, director or officer of a company or business; or
- (d) in any way whatsoever;

in any decision, contract, arrangement, transaction or any other matter about to be discussed by the committee that committee member shall disclose their interest to the meeting of the committee before the matter is discussed. Any committee member who has disclosed a conflict of interest shall withdraw from the meeting while the matter is discussed by the committee and shall not vote on the matter. Any decision by the committee shall not be invalid because of the subsequent discovery of an interest which should have been declared. Any committee member so conflicted shall vacate his or her office, either for a period or permanently, if requested to do so by the remaining members of the committee. Any act done in good faith by a committee member, whether or not his or her office is vacated under the terms of this rule shall be valid unless prior to the doing of such act written notice has been served on the committee and an entry has been made in the committee's minute book stating that such committee member has ceased to be a member of the committee.

63.73. Committee members who are Tenants shall be deemed not to have an interest in any decision affecting all or a substantial group of Tenants.

64.74. The example provided in the rule immediately above is for the purpose of illustrating the intention of these rules to ensure that interests and conflicts of interest are declared and avoided and are not exclusive of other matters which may create a conflict of interest that needs to be declared and avoided.

PROCEEDINGS OF COMMITTEE

65.75. The committee shall meet at least ~~four~~six times in every calendar year at such times and places as the committee shall decide. Seven clear days' notice of the date and place of such meetings shall be given in writing or by email or other electronic means acceptable to committee members and noted in the committee's minutes and which creates a record of sending by the secretary to all committee members.

66.76. Special meetings of the committee may be called either by the secretary, or by a notice in writing given to the secretary by the chair of the committee, or by two committee members, specifying the business to be transacted at the special committee meeting. The secretary shall communicate every such notice to all committee members and persons co-opted to the committee as soon as possible after receipt. The special meeting shall be held at the ordinary place for meetings of the

committee, or such other place as may be specified in the notice convening the meeting. The special meeting shall be held not earlier than three clear days and not later than ten clear days after the receipt by the secretary of the notice requesting it. If the secretary fails to convene the special meeting as required by this rule, the chair of the committee, or the two committee members who have given the notice in writing, may call the meeting. No other business shall be done at the meeting other than the business named in the notice convening the special committee meeting.

QUORUM FOR COMMITTEE MEETINGS

~~67-77.~~ No business shall be transacted at committee meeting unless a quorum of members is present either in person or by telephone, video conferencing or by other communications equipment such that the person can hear, comment and vote on proceedings at the time the meeting proceeds to business. The quorum of the committee shall be four or half of the elected members of the Committee whichever is the lesser~~one third of its total number subject to a minimum of three.~~

~~68-78.~~ Notwithstanding any vacancies on the committee, the remaining committee members may continue to act. If at any time the number of committee members falls below the number necessary for a quorum, the remaining committee members may act as the committee for a maximum period of six months. If, after this six month period has expired, the committee has not appointed committee members to make up their number to that which is necessary for a quorum, the only power which the committee may exercise shall be to convene a general meeting of the Co-operative to elect, in accordance with these rules, such number of committee members as is required to bring the number of members of the committee to the number necessary to comply with the quorum required for Committee Meetings.

SPECIAL MANAGER PROVISIONS

~~69-79.~~ If the general meeting referred to in the preceding clause is unable to elect such committee members because there are an insufficient number of members willing to take responsibility for the democratic governance of the Co-operative, the general meeting shall request that the Landlord manage the Co-operative's business in the absence of a duly elected committee for a six month period.

~~70-80.~~ If the Landlord agrees to this request, the Landlord may exercise all the powers of the committee under these rules that are necessary for the continuing day to day management of the Co-operative's established business but shall not have the power to expand the scope or nature of the Co-operative's business activities. The Landlord shall, as soon as may be practicable after appointment, call a general meeting to present to the members proposals for rejuvenation and re-establishment of the Co-operative's democratic governance. If such proposals are not accepted by the Co-operative, the Landlord shall put to the members at the same or subsequent general meeting to be held within six months proposals for the dissolution of the Co-operative under the provisions set out in these rules.

~~71-81.~~ If the Landlord rejects the request to manage the Co-operative for a six-month period, the Co-operative shall take necessary steps to dissolve the Co-operative under the provisions set out in these rules.

POWERS OF THE COMMITTEE

72-82. The business of the Co-operative shall be conducted by the committee which may exercise all such powers as may be exercised by the Co-operative in accordance with its objects and these rules and are not by these rules or by statute required to be exercised by the Co-operative in general meeting. The committee shall in all things act for and in the name of the Co-operative. Without prejudice to the general powers conferred on the committee by these rules the committee will set out its functions and powers, as agreed by a general meeting of the members, separately in the standing orders or written terms of reference of the Co-operative or other appropriate document.

73-83. A receiver appointed by a mortgagee may exercise such powers of the committee as s/he deems to be necessary to carry out his/her duties.

DELEGATION OF POWERS BY THE COMMITTEE

84. The committee may delegate any of its powers to sub-committees consisting of such committee members and other persons as it thinks fit. Any sub-committee shall, in carrying out the powers entrusted to it, conform to the instructions given to it by the committee and shall be governed by the provisions in these rules for regulating the meetings and proceedings of the committee or by any terms of reference or standing orders for the sub-committee imposed by the committee. Members of any sub-committee set-up under these rules shall be bound by the same obligations as set out in provisions titled 'Avoidance and Declaration of Conflicts of Interest' in these rules.

74-85. No committee can incur expenditure on behalf of the Society unless at least one Committee member or co-optee of the Committee on the committee has voted in favour of the resolution and the Committee has previously approved a budget for the relevant expenditure.

75-86. The committee may also delegate such of its powers as may be necessary or expedient to managing agents appointed under the rule titled 'Powers of the Committee' rule in these rules or the rule titled 'Officers' in these rules.

76-87. All acts done in good faith by any meetings of the committee or of any sub-committee shall, notwithstanding that it shall be afterwards discovered that there was any defect in the appointment of any committee member or committee members or that any one or more of them were disqualified, be as valid as if every committee member had been duly appointed and was duly qualified to serve.

77-88. A resolution in writing signed by all committee members or by all members of a sub-committee shall be as valid and effectual as if it had been passed at a meeting of the committee or sub-committee duly called and constituted.

RESPONSIBILITIES OF COMMITTEE MEMBERS

78-89. The responsibility of all committee members, whether elected or co-opted, is to act only and at all times in the best interests of the Co-operative and not for personal benefit or gain or on behalf of any constituency or special or partisan interest group. Without prejudice to this general responsibility each and every committee member shall:

- (a) abide by the Code of Conduct for committee members as agreed from time to time by the Co-operative;
- (b) attend all committee meetings, unless it is genuinely not possible to do so, and make a positive and constructive contribution to committee proceedings, debate and decision making;
- (c) participate in appropriate training to ensure that he or she has sufficient knowledge and understanding of the Co-operative's affairs in order properly to exercise the responsibilities and powers of a committee member;
- (d) avoid and declare any conflict of interest as set out in the provisions 'Avoidance and Declaration of Conflicts of Interest' in these rules;
- (e) comply with the Data Protection Act ~~1998-2018~~ and treat all personal information about members and their households and applicants to the Co-operative as confidential and not disclose any data held on any person by the Co-operative to any other person or organisation unless required to do so by law; and
- (f) accept and fulfil the detailed statement of committee members' responsibilities which may be agreed from time to time by the committee and contained in the letter of committee member's responsibilities which shall be sent by the chair to each committee member as soon as may be practicable after each committee member's election or appointment or at such other times as the committee may direct. Any committee member who fails to sign the statement of committee member's responsibilities within one month of being required to do so shall cease to be a member of the committee.

OFFICERS

~~79-90.~~ In addition to the ~~three-four~~ Co-operative officers of chair, vice-chair, secretary and treasurer, the Co-operative shall have such other officers as the committee may from time to time determine. Officers shall be appointed and may be removed by the committee to carry out such tasks and fulfil such functions as the committee shall from time to time determine. The Co-operative officers and other officers appointed by the committee shall, if they are members of the Co-operative, not receive any remuneration for carrying out the duties of their office. Officers who are employees of the Co-operative but not members shall receive such remuneration [if any] under their contracts of employment as the committee shall determine is fair and reasonable.

~~80-91.~~ The Co-operative officers and other officers, if any, shall act under the supervision control and direction of the committee and shall discharge their powers and responsibilities in accordance with these rules and with such regulations, standing orders, policies, and procedures as may be established from time to time by the Co-operative which are consistent with these rules.

92. The chair shall normally preside at all general meetings of the Co-operative. If at any general meeting or at any committee meeting the chair is absent or declines to act, the vice-chair shall preside, or if the vice-chair is absent or declines to act, the members shall elect one of their number to chair the meeting.

93. The chair on election shall hold office until the commencement of the first Committee meeting after the next annual general meeting of the Co-operative (or until the Chair resigns as Chair). The first item of business for any Committee meeting when there is no chair or the chair is not present shall be to elect the chair. The chair shall at all times be a shareholder and a Committee member and cannot be an employee.
94. The chair of the Co-operative may be removed at a Committee meeting called for the purpose provided the resolution is passed by at least two thirds of the members of the Committee at the meeting.
95. The Society may also have a vice-chair who, in the chair's absence, shall act as the chair and have the chair's powers and duties.
96. The Chair shall seek to ensure that:
- (a) the Committee's business and the Society's general meetings are conducted efficiently;
 - (b) all Committee members are given the opportunity to express their views;
 - (c) a constructive working relationship is established with the Chief Officer including management and support;
 - (d) the Committee delegates sufficient authority to its committees, the Chair, the Chief Officer (if any), and others to enable the business of the Society to be carried on effectively between Committee meetings;
 - (e) the Committee receives professional advice when it is needed;
 - (f) the Society is represented as required; and
 - (g) the Society's affairs are conducted in accordance with generally accepted codes of performance and propriety.
97. The Committee shall ensure that there is a written statement of the Chair's responsibilities which shall be agreed with the Committee and reviewed from time to time.
98. The Society may have a Chief Officer appointed by the Committee. The Chief Officer shall be appointed on a written contract of employment, which shall include a clear statement of the duties of the Chief Officer.
- ~~84.~~

82-99. The secretary shall ensure that:

- (a) meetings are properly called; and
- (b) the names of those present are recorded; and
- (c) minutes of meetings are kept; and
- (d) the register of members and officers is maintained; and

- (e) the use of the Co-operative's official seal (or the execution of documents as if under seal) is properly recorded; and
- (f) all returns required to be made to the Registrar are sent.

100. The society shall have a treasurer who shall be appointed by the Committee. The Committee may also appoint a deputy treasurer to act as treasurer in the treasurer's absence.

101. The treasurer shall:

- (a) ensure that all the financial aspects of the Society's activities are carried out in accordance with the Society's financial regulations;
- (b) oversee the finances of the Society including reports setting out expenditure against budget and ensure that monthly bank reconciliations are carried out;
- (c) act as a key point of contact for both internal and external auditors and be available for consultation with them;
- (d) oversee the audit for the Society.

83-102. The Co-operative officers and any other officer of the Co-operative shall produce or give up all books, papers, documents and records of the Co-operative whenever required to do so by resolution of the committee or the Co-operative in general meeting.

SECURITY BY OFFICERS AND INDEMNITY

84-103. The committee shall require every officer or employee having receipt or charge of money to provide to the Co-operative an assurance of their honesty and integrity. This shall be done by the officer or employee becoming either bound with or without a surety as the committee may determine in a bond according to one of the forms set out in Schedule 1 of the Act or to give the security of a society or insurer of repute in such sum as the committee shall direct, commonly called 'fidelity guarantee insurance'. Every officer having receipt or charge of money shall, when required to do so by the committee or Co-operative in general meeting, give a just and true account of all monies received by him or her on account of the Co-operative and shall, as and when required to do so, pay all sums due from him or her to the Co-operative.

85-104. Every officer shall be indemnified by the Co-operative against all costs, losses and expenses which he or she may reasonably incur in the discharge of his or her duties including travelling and other out of pocket expenses and the amount for which such indemnity is provided shall immediately attach as a charge on the property of the Co-operative.

86-105. No officer shall be liable for any loss happening to the Co-operative through the execution of the duties of his or her office unless the loss is the consequence of his/her own dishonesty or gross negligence.

PAYMENTS TO OFFICERS AND COMMITTEE

106. The Co-operative shall not remunerate any member of the Co-operative or any member of any sub-committee established by the Co-operative in respect of service as a member of any such sub-committee or as an officer. This rule shall not prevent the reimbursement of expenses properly incurred by any person on behalf of the Co-operative. Specifically, the Co-operative may:

- (a) pay properly authorised expenses to Committee members, co-optees and members of committees when actually incurred on the Society's business;
- (b) pay insurance premiums in respect of insurance taken out to insure Committee members and employees;
- (c) pay recompense for loss of earnings to Committee members, co-optees and members of committees where evidenced to the satisfaction of the Chief Officer in accordance with the Members Expenses policy; and
- 87.(d) grant benefits to Committee members, co-optees and members of committees; provided that any such benefit is in accordance with any code of conduct and/or governance adopted by the Committee from time to time.

BORROWING

88.107. The Co-operative shall have the power to borrow money on such terms and in such sum as the committee reasonably determine from time to time and as approved by the members in general meeting.

89.108. The Co-operative shall not receive money on deposit. For the avoidance of doubt the Co-operative shall not engage in any activity by virtue of any of these rules that would require a permission from the Financial Conduct Authority (or any body that succeeds its functions) to carry on that activity without first having applied for and obtained such permission.

90.109. The Co-operative may receive donations towards the work of the Co-operative from any lawful source which the Committee considers does not compromise the Co-operative's ethical commitment to the Co-operative Principles and Values.

INVESTMENT

94.110. The funds of or monies borrowed by the Co-operative may, to the extent permitted by the law for the time being in force, be invested (and not otherwise):

- (a) in any manner expressly authorised by the Act; or
- (b) in any investments covered by Parts I, II and III of the First Schedule to the Trustee Investments Act 1961 or in stocks or shares or debentures of any body corporate but subject in the case of any investments under paragraphs 1 and 3 of Part III or of any body incorporated overseas to the taking of advice in accordance with the provisions of section 6 of the Trustee Investments Act 1961; or

- (c) in shares, loan stock or on the security of any co-operative or community benefit society or credit union registered under the Act; or
- (d) in any freehold, or leasehold property whatsoever in the United Kingdom.

[92.111.](#) The Co-operative may, to the extent permitted by the law for the time being in force, delegate in writing to a suitable person the exercise of the management or investment of the property for the time being forming part of the property of the Co-operative. A suitable person shall be a person whom the Co-operative reasonably believes to be qualified by ability and experience in the matters delegated, and who is an exempted person for the purposes of Part I of the Financial Services and Markets Act 2000 as amended or re-enacted from time to time.

[93.112.](#) The Co-operative may appoint any member or members to vote on its behalf at meetings of any other body corporate in which the Co-operative has invested any part of its funds.

BAN ON PAYMENTS OF PROFIT TO MEMBERS

[94.113.](#) No portion of the income or the property of the Co-operative shall be transferred either directly or indirectly by way of bonus or otherwise by way of profit, to members of the Co-operative except in so far as the tenancy or lease may provide upon surrender to the Co-operative for payments to be made to the member.

SURPLUSES

[95.114.](#) The Co-operative may apply any surpluses towards furthering the objects of the Co-operative.

[96.115.](#) A general meeting may set aside any part of the surpluses arising in any year to be donated or loaned for any purposes determined by the members in general meeting.

[97.116.](#) Any surpluses not applied or set aside shall be carried forward.

AUDIT

[98.117.](#) The Co-operative if required to do so by law, shall appoint in each financial year an auditor to whom the accounts of the Co-operative for that year shall be submitted for audit as required by the Act. They must be qualified as provided by Section 91 of the Act. The auditor shall have all such rights in relation to notice of and audience at general meetings, access to books, the supply of information and otherwise as are provided by the Act. The first appointment of an auditor shall be made within three months of the registration of the Co-operative and shall be made by the committee if no general meeting of the Co-operative is held within that time. Thereafter, every appointment of an auditor shall be made by resolution of the Co-operative at a general meeting.

[99.118.](#) In accordance with section 84 of the Act, the Co-operative shall be exempt from the obligation to appoint a qualified auditor if during the preceding financial year it met such criteria regarding low levels of income and/or expenditure or other factors as to qualify for statutory exemption from the need to appoint qualified auditors.

~~400.119.~~ The members of the Co-operative shall, in general meeting, vote every year to allow the Co-operative to apply any audit exemption permitted by statute. Such a resolution shall not be considered to have been passed if more than twenty per cent of the total number of votes cast are against the resolution and if more than ten per cent of the members of the Co-operative cast their votes against the resolution.

~~401.120.~~ If lay auditors are appointed to carry out an audit they shall be chosen by the Committee from the general membership and/or others.

~~402.121.~~ If the membership vote for unaudited accounts and these are permitted by statute, the Co-operative's income/expenditure ledger shall be scrutinised by the secretary and committee members only and signed, as a true record, by the secretary and two committee members or such other number as may be required by legislation. An income/expenditure report will be prepared to present to the Co-operative's members at each annual general meeting.

~~403.122.~~ The following persons are prohibited from appointment as auditor of the Co-operative:

- (a) a member, officer or employee of the Co-operative;
- (b) a person who has any of the following relationships to a committee member, officer or employee of the Co-operative:
 - (i) a close relative [by blood or marriage];
 - (ii) a partner of or a member of the person's family;
 - (iii) an employer;
 - (iv) a business partner.

~~404.123.~~ An auditor appointed to audit the accounts and balance sheet of the Co-operative for the previous financial year shall be re-appointed as auditor of the Co-operative for the current year of account, whether or not any resolution expressly re-appointing the auditor has been passed; unless:

- (a) a general meeting has appointed someone else to act or has resolved that the auditor cannot act; or
- (b) the auditor has given to the Co-operative notice in writing that the auditor is unwilling to be re-appointed; or
- (c) the auditor is not a qualified auditor or is prohibited from appointment as auditor of the Co-operative; or
- (d) the auditor has ceased to act as auditor of the Co-operative by reason of incapacity; or
- (e) if the Co-operative's committee has given notice in writing to the auditor of its intention to tender the audit in order to comply with guidance on audit best practice;

provided that a retiring auditor shall not be automatically re-appointed if notice of an intended resolution to appoint another person in that auditor's place has been given in accordance with this rule and the resolution cannot be proceeded with because of the death or incapacity of that other person or because that other person is not a qualified auditor or is prohibited from appointment as auditor.

405-124. A resolution at a general meeting of the Co-operative appointing another person as auditor in place of a retiring auditor or providing expressly that a retiring auditor shall not be re-appointed shall not be effective unless notice of the intention to move it has been given to the Co-operative not less than 28 clear days before the meeting at which it is to be moved. On receipt by the Co-operative of notice of such an intended resolution the Co-operative shall immediately send a copy of the notice to the retiring auditor. If it is practical to do so the Co-operative shall give notice to its members of the intended resolution at the same time and in the same manner as it gives notice in accordance with these rules of the meeting at which the resolution is to be moved. Where the retiring auditor makes any representations in writing to the Co-operative with respect to the intended resolution or notifies the Co-operative that ~~s~~**he** **or she** intends to make such representations, the Co-operative shall notify the members accordingly as required by the Act.

ACCOUNTS

406-125. The Co-operative shall keep proper books and other records of account with respect to all its financial transactions and to its assets and liabilities in accordance with the requirements of the Act and shall establish and maintain a satisfactory system of control of its accounting records, its cash holdings and all its receipts and payments.

407-126. Unless the Co-operative is entitled to and has applied the exemption to appoint a qualified auditor the committee shall ensure that the Co-operative's accounts and balance sheet are submitted for audit to the Co-operative's auditor and the auditor shall in accordance with the requirements of the Act make a report to the Co-operative on the accounts examined by the auditor and on the revenue account or accounts and the balance sheet for the year of account in respect of which the auditor has been appointed.

ANNUAL RETURNS

408-127. Every year not later than 7 (seven) months after the Co-operative's financial year end the secretary shall send to the Registrar in the form prescribed the Co-operative's annual return relating to its affairs for the period required by the Act together with:

- (a) a copy of the report of the auditor (if any) on the Co-operative's accounts for the period included in the return; and
- (b) a copy of each balance sheet made during the period and of the report of the auditor (if any) on that balance sheet.

409-128. The Co-operative shall supply free of charge to every member or person interested in the funds of the Co-operative on application a copy of the latest annual return of the Co-operative together with a copy of the accounts and balance sheet and

the report of the auditor (if any) contained in the return and on the accounts and balance sheet.

[440-129.](#) The Co-operative shall keep a copy of the latest balance sheet for the time being and auditor's report (if any) available for inspection by members at its registered office.

INSPECTION OF BOOKS

[444-130.](#) Any member or person having an interest in the funds of the Co-operative shall be allowed to inspect his/her own account and the books containing the names of the members, including the details contained in the duplicate register of members between the hours of 9.30am and 5.30pm on any day excepting Saturdays, Sundays and Bank Holidays or at any other place where the same records are kept, subject to this right of inspection being carried out in accordance with the arrangements for inspection of records as may be made from time to time by the Co-operative in general meeting. If the member or person wishing to carry out such an inspection is reasonably unable to do so between the times stated above, the Co-operative shall make alternative arrangements for the inspection if it is reasonably practical to do so.

MINUTES AND RECORDS

[442-131.](#) Minutes of every general meeting and of every committee meeting and of every sub-committee shall be kept and presented for approval as an accurate record at the next respective meeting and signed by the chair of the meeting at which they are presented and approved. All minutes signed as an accurate record shall, subject to any amendments which may be recorded in the following meeting, be conclusive evidence of any facts stated in the minutes or decisions made at the meeting the minutes record.

REGISTER OF MEMBERS

[443-132.](#) The Co-operative shall keep at its registered office a register of members in which the secretary shall enter or cause to be entered the following particulars;

- (a) the names and addresses of the members;
- (b) a statement of the share held by each member and the amount paid for the share;*
- (c) a statement of other property in the Co-operative whether in loans or loan stock, held by each member;*
- (d) the date at which each person was entered in the register as a member, and the date at which any persons cease to be a member;
- (e) the names and addresses of the officers of the Co-operative with the offices held by them and the dates on which they assumed office.

[444-133.](#) The Co-operative shall also keep at its registered office a duplicate register of members in which the secretary shall enter all the particulars in the original register of

members omitting those details marked with an * [asterisk] set out in the rule immediately above this rule.

~~445-134.~~ The inclusion or omission of the name of any person in or from the register of members shall, in the absence of evidence to the contrary, be conclusive evidence that such person is or is not a member of the Co-operative.

~~446-135.~~ The registered name of the Co-operative shall be kept painted or fixed in a conspicuous position in an easily legible form on the outside of every office or place in which the business of the Co-operative is carried on, and the registered name of the Co-operative shall be engraved in legible characters on its seal, and shall be mentioned in all business letters of the Co-operative, notices, advertisements, electronic communications and other official publications of the Co-operative and in all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the Co-operative and in all bills, invoices, receipts and letters of credit of the Co-operative.

SEAL

~~447-136.~~ If the Co-operative has a seal it shall be kept in the custody of the secretary and used only by the authority of the Co-operative. Sealing shall be attested by the signatures of the two committee members or the secretary and one committee member. If the Co-operative does not have a seal, a document which would have previously required to be sealed should be signed by two committee members or a committee member and the secretary and accompanied by a written statement that the document has been executed by the Co-operative as if under common seal.

DISPUTES

~~448-137.~~ Any dispute concerning matters governed by these rules between a member, or any person aggrieved who has not for more than six months ceased to be a member, and the Co-operative or an officer thereof shall be considered in accordance with the Co-operative's disputes procedure agreed from time to time by the Co-operative in General Meeting. The secretary shall, on request, provide any member or person interested in the Co-operative with a copy of the Co-operative's current dispute procedure. Provided that any internal disputes procedure established by the Co-operative has been exhausted without the dispute being resolved, either party may request the dispute to be submitted to the County Court ~~for to the Sheriff's Court, if the Co-operative's registered office is in Scotland~~ whose decision shall be binding and conclusive, and application for the enforcement thereof may be made by either party to the County Court ~~or to the Sheriff's Court, if the Co-operative's registered office is in Scotland~~.

~~449-138.~~ The costs of referring the dispute to the County Court ~~for the Sheriff's Court, if the Co-operative's registered office is in Scotland~~ shall be borne as the County Court ~~or the Sheriff's Court directs~~.

STATUTORY APPLICATIONS TO THE REGISTRAR

~~420-139.~~ Any ten members each of whom has been a member of the Co-operative for not less than 12 months immediately preceding the date of the application may apply to the Registrar in the form prescribed by the Act to appoint an accountant or actuary

to inspect the books and other financial records of the Co-operative and to report on them.

~~421-140.~~ One tenth of the whole number of members, or if the number shall at any time exceed 1000, 100 members may apply to the Registrar in the form prescribed by the Act:

- (a) for the appointment of an inspector or inspectors to examine the affairs of the Co-operative and to report on the Co-operative's affairs; or
- (b) for the calling of a special general meeting of the Co-operative.

COPIES OF THE RULES TO BE SUPPLIED

~~422-141.~~ The secretary shall provide a copy of these rules of the Co-operative to each member free of charge and to any other person on demand on the payment of a charge to meet the reasonable cost of providing them but not exceeding any maximum charge as may from time to time be specified under the provisions of the Act.

AMENDMENT OF RULES

~~423-142.~~ Any rule of the Co-operative contained in these rules may be rescinded or amended or a new rule may be made by a resolution carried by two-thirds of the votes given on the resolution to amend these rules at any general meeting of which notice has been given specifying the intention to propose such a rescission, amendment or new rule.

~~424-143.~~ Application for the registration of every amendment of rules shall be made to the Registrar in the manner and form required by the Act as soon as practical after the general meeting at which the decision to rescind or amend or make a new rule has been taken. Once an amendment has been registered, a copy of it shall be issued to every member and supplied with every copy of the rules issued after the amendment of rules has been registered. No amendment of rules is valid until registered by the Registrar. When submitting rule amendments for registration the secretary may at his/her sole discretion accept any textual alterations to the wording of the amendment which do not change the substance or effect of the amendment that may be required or suggested by the Registrar without reference back to a further general meeting of the Co-operative.

~~425-144.~~ Any amendment to these rules, including a change of name or registered office, shall be notified by the Secretary of the Co-operative to the Registrar as soon as may be practicable after the amendment has been made together with a copy of the amendment made.

AMALGAMATION AND TRANSFER OF ENGAGEMENTS

~~426-145.~~ The Co-operative may, by special resolution passed at a general meeting in the manner prescribed in the Act, amalgamate with or transfer its engagements to any other co-operative or community benefit society that has similar objects and is registered under the Act.

DISSOLUTION

~~427-146.~~ The Co-operative may enter into a company arrangement or administration provision as defined in section 118 of the Act.

~~428-147.~~ The Co-operative may be dissolved in accordance with section 119 of the Act:

- (a) by an instrument of dissolution;
- (b) in accordance with section 123 of the Act in pursuance of a winding up order or by a resolution made or passed as directed in regard to companies by the Insolvency Act 1986.

~~429-148.~~ If on the winding up or dissolution of the Co-operative there remains after satisfaction of all its debts and liabilities, any assets or other property whatsoever, the assets or other property shall be disposed of by way of a gift to:

- (a) another Co-operative; or
- (b) a Community Benefit Society having similar objects to the Co-operative; or
- (c) a Credit Union; or
- (d) a charity which has, among its objects, the provision of housing or relief of homelessness.

~~430-149.~~ Such disposal shall be decided by a general meeting of the Co-operative before dissolution. On the winding up or dissolution of the Co-operative, no member shall receive any property or sum beyond:

- (a) the repayment of any investment in the Co-operative to which the member is entitled and any interest due on such investment; and/or
- (b) any payment to the member provided for in the member's tenancy or lease on the surrender of that tenancy or lease.

INTERPRETATION

~~431-150.~~ In these rules, unless the subject matter or context is inconsistent with them, the following words and phrases shall have the following meanings:

words importing gender shall include the male and female genders;

words importing the singular or plural shall include the plural or singular respectively.

"address" means a postal address or, for the purposes of electronic communication, a fax number, email address or telephone number for receiving text messages.

"the Act" refers to the Co-operative and Community Benefit Societies Act 2014, or any Act or Acts amending or in substitution for the Act for the time being in force;

"committee" shall mean a management committee of the Co-operative.

"committee member" shall include any person, whether a member of the Co-operative or not, who is elected, appointed, or co-opted to serve on the committee.

"Co-operative Principles" refers to the Co-operative Principles and Values adopted at the Centennial Congress of the International Co-operative Alliance on 23rd September 1995, a copy of which are appended to these rules.

"electronic means" shall have the meaning set out in section 148 of the Act.

"general meeting" shall mean any meeting of the Co-operative.

"landlord" shall mean London Borough of Lewisham –as well as ~~the Co-operative~~ any other landlords with whom the housing co-op makes a management agreement in the future.

"lawful resident" shall include any occupant of residential property within the Co-operative's Area of operation, with the exception of those regarded by the Co-operative as squatters, unlawful occupants, or tolerated trespassers.

"management agreement" shall mean an agreement under which the Co-operative acts as managing agent for the Landlord.

"the Registrar" shall mean the Financial Conduct Authority or any statutory successor body to or any assignee of any or all of its relevant functions from time to time.

"surpluses" shall mean any money remaining after the Co-operative's current expenses and obligations have been provided for and adequate allowance has been made for the Co-operative's reasonably foreseeable future requirements.

"tenant" shall mean any person other than a body corporate who holds, either individually or jointly, a tenancy or lease issued by the Landlord who lawfully occupies residential property managed by the Co-operative as their sole or main residence.

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Signatures of Founder Members	Full Names of Founder Members in BLOCK CAPITALS (no initials)
1.	
2.	
3.	
Signature of Secretary	Full Name of Secretary in BLOCK CAPITALS (no initials)
1.	

- Accepted as a model by the Financial Conduct Authority 2016 v.1 -

CO-OPERATIVE PRINCIPLES

Co-operative Principles as defined by resolution of the Centennial Congress of the International Co-operative Alliance on 23 September 1995.

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise.

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

- [1] **Voluntary and Open Membership:** Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.
- [2] **Democratic Member Control:** Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Women and men serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights [one member, one vote] and co-operatives at other levels are also organised in a democratic manner.
- [3] **Member Economic Participation:** Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: developing their co-operative, possibility by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.
- [4] **Autonomy and Independence:** Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensures democratic control by their members and maintain their co-operative autonomy.

- [5] **Education, Training and Information:** Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.
- [6] **Co-operation among Co-operatives:** Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional, and international structures.
- [7] **Concern for Community:** Co-operatives work for the sustainable development of their communities through policies approved by their members.