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Rules of
Bancroft Tenant Management Co-operative

Registered under the Co-operative and Community Benefit Societies Act 2014

Registration No: 27533R

Contents

RULES OF
BANCROFT TENANT MANAGEMENT CO-OPERATIVE LIMITED

NAME

1. The name of the Co-operative shall be Bancroft Tenant Management Co-operative Limited (referred to in these Rules as the Co-operative).

2. The Co-operative is registered under the provision of the Co-operative and Community Benefit Societies Act (the Act).

REGISTERED OFFICE

3. The registered office of the Co-operative shall be at **34 Wickford Street, London, E1 5QN**. 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.

OBJECTS

4. The Co-operative is formed for the benefit of the community in Bancroft Estate, London E1 “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; and/or

   c) the promotion of any services that contribute to wider regeneration including the creation of employment, the advancement of education;

   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

5. 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.

FINANCIAL SERVICES AND MARKETS ACT 2000 ACTIVITY

6. The Co-operative shall not have the power to receive money on deposit in any way which would require authorisation under the Financial Services and Markets Act 2000 or any other authority required by statute unless it has such authorisation.

7. The Co-operative may invest any part of its funds in the manner set out in Section 27 of the Act.

COMMITMENT TO DIVERSITY, EQUALITY AND RESPECT

8. In fulfilment of its commitment to apply the 1st Co-operative Principle to achieving its objectives the Co-operative shall actively work towards the elimination of discrimination, ensure equality of opportunity, value the diversity of human Co-operative 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

9. The Co-operative shall not trade for profit. Nothing shall be paid or transferred by way of profit to shareholders of the Co-operative.

10. 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

11. 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.

SHARE CAPITAL

12. The share capital of the Co-operative shall be raised by the issue of shares. Each share has the nominal value of l0p (Ten Pence). 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.

13. A member shall take up and hold only one share in the Co-operative. Shares shall not be held jointly.

LIMITED LIABILITY

14. The liability of a member is limited to any amount remaining unpaid on that Member’s single ten pence share.

MEMBERSHIP

15. 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.

APPLICATION FOR MEMBERSHIP

16. The Co-operative may within its absolute discretion and in accordance with the procedure which may be laid down from time to time in a general meeting admit or refuse to admit any person to membership of the Co-operative save that such person must be a lawful resident or a resident leaseholder of any housing that is subject to a management agreement under which the Co-operative acts as managing agent for the Landlord.

17. An application for membership shall be made to the Co-operative at the registered office. An application for membership by a lawful resident or a resident leaseholder of residential property provided or managed by the Co-operative shall not be unreasonably rejected. If the application is approved, the applicant shall be required to forward the sum of 10 pence. 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.

18. A person shall not be admitted to membership if s/he is under the age of 18 years.

19. The membership register shall be audited annually to ensure that those named on the register are still eligible for membership.

TERMINATION OF MEMBERSHIP

20. 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 or a resident leaseholder
    e) they are, in the opinion of the Co-operative, in material or serious breach of the agreement that enables them to satisfy the definition of lawful resident or a resident leaseholder.

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

EXPULSION FROM MEMBERSHIP

22. 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 Management 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.

23. No person who has been expelled from membership shall be readmitted within three years. A member may only be readmitted by a resolution carried out by a majority of not less than two-thirds of the members present and voting at a general meeting of which due notice has been given.

24. When a member ceases to be a member, or is expelled from the Co-operative, their ten pence share shall be cancelled. The amount paid up on that share shall become the property of the Co-operative.

DEATH OR BANKRUPTCY OF A MEMBER

25. 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.

26. 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

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

CONVENING GENERAL MEETINGS

28. A general meeting shall be convened 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 or alternatively, they may be displayed conspicuously at the registered office and in all other places of business of the Co-operative to which Members have access.

29. A general meeting may be held at shorter notice if two-thirds of members, agree in writing or by confirming through electronic means, to a general meeting being held with less than fourteen clear days' notice.

30. The notice convening a general meeting shall state which type of general meeting is being convened, the date, time and place of the meeting (including if it is to be held virtually) and the business to be transacted at the meeting.

31. 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.

32. Each member duly registered shall be entitled to attend and vote at a general meeting as set out in the notice of the meeting. Votes may only be given personally; proxy voting is not permitted.

33. The time, date and place of each general meeting shall be determined by the Management 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

34. 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.

35. The functions of the annual general meeting shall be to:

    (a) receive the annual report which shall contain the accounts and balance sheet together with the auditor's report for the preceding financial year, and the Management Committees report on the state of affairs of the Co-operative.

    (b) elect the Management Committee for the coming year;

    (c) appoint the auditor; and

    (f) consider any other general business of the Co-operative which have been set out in the notice convening the meeting including any business that requires a special resolution.

PROVISIONS APPLICABLE TO ORDINARY GENERAL MEETINGS

36. 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 Management Committee, or upon a written requisition to the secretary signed by one tenth of the members or twenty-five 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.

37. The functions of ordinary general meetings shall be to:

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

(b) consider any business which the Management Committee considers to be a policy matter that should be referred to the members in general meeting for decision; and/or

(d) consider any other resolutions relating to the business of the Co-operative which have been included in the notice convening the meeting.

38. 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.

39. If within fourteen days of receipt of a requisition to the secretary for an ordinary general meeting, a meeting is not convened, the Management 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.

40. The only business which shall be transacted at a general meeting is that mentioned in the notice convening the meeting and a quorum shall be present as set out under the rules titled ‘Quorum for General Meetings’.

QUORUM FOR GENERAL MEETINGS

41. No business shall be transacted at any general meeting unless a quorum of members is present. A quorum shall be one tenth of the membership or twenty-five members, whichever is the lesser, subject to an absolute minimum of six members. A member is able to exercise the right to speak at a general meeting and is deemed to be in attendance they if they are able to communicate to all those attending the meeting. The Management Committee may make whatever arrangements they consider appropriate to enable members to speak or vote at the meeting including electronic means.

42. If no quorum is present within half an hour of the time appointed for the meeting, or if during the meeting a quorum ceases to be present, the meeting shall be adjourned in accordance with the provisions of the rule titled ‘Adjourning General Meetings.’

ADJOURNING GENERAL MEETINGS

43. 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.

44. 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.

45. 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.

46. 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.

47. 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

48. 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.

49. 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 members present shall elect a Management Committee member to be the chair of the meeting. If no Management 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 Management Committee at the general meeting.

VOTING AT GENERAL MEETINGS

50. Every member present in person at a general meeting shall have one vote. Except where otherwise specified in these Rules, resolutions shall be decided upon a majority vote of members present and voting.

51. Subject to the provision of these rules or of any statute, a resolution put to the vote at any General Meeting shall, except where a secret ballot is demanded or directed, be decided on a Show of Hands.

52. Voting shall be conducted under the direction of the chair in accordance with any procedures agreed by the Co-operative in general meeting. A declaration by the chair that a resolution has on a Show of Hands been carried or lost and an entry to that effect in the minutes of the General Meeting of the Co-operative shall be conclusive evidence of the result without proof of the number of proportions of the votes recorded in favour or against such resolutions.

BALLOT

53. A Ballot on a resolution may be demanded, before or on the declaration of the result of the 'Show of Hands' by at least five members at a general meeting or the chair decides a secret ballot should be held. The demand or direction may be withdrawn.

54. If a Ballot is duly demanded, it shall be taken at such a time during the meeting in such a manner as the chair directs and the result of the Ballot shall be deemed to be the resolution of the meeting at which the Ballot was demanded and shall not prevent the remaining business of the meeting from being transacted.

55. No Member shall have more than one vote on a Ballot. In case of an equity of votes, whether on show of hands or on a Ballot, the Chair shall have a second or casting vote.

56. 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.

RESOLUTIONS

57. Decisions at general meetings shall be made by passing resolutions. An ordinary resolution may be passed unless an Extraordinary Resolution or special resolution is required under those circumstances set out below.

58. An Extraordinary Resolution is one passed by a majority of not less than 75% of votes at a General Meeting and Ordinary Resolution is one passed by a simple majority of votes cast.

    (a) The following decisions must be made by Extraordinary Resolution:
        (i) Any amendment to the Co-operative's Rules in accordance with rule entitled 'Amendment of Rules'.
        (ii) The decision to wind up the Co-operative.

    (b) The following decisions must be made by Special Resolution and must be passed in accordance with the requirements for passing a special resolution in the relevant section of the Act and as set out in the rule titled '*Decisions to be made by special resolution'* in these Rules:

        (i) A decision to amalgamate or transfer engagements between societies;
        (ii) A decision to convert the Co-operative into a company, amalgamate with or to transfer its engagements to a company; and
        (iii) Ratifying an action by the Management Committee that was found to be outside the capacity of the Co-operative and relieving any Management Committee member of liability incurred, if any, as a result of this action.

    (c) Decisions not required to be made by Extraordinary or special resolution shall be made by ordinary resolution.

DECISIONS TO BE MADE BY SPECIAL RESOLUTIONS

59. A special resolution is one passed in accordance with the following sections of the Act, sections 43 and 44 (Capacity of a Co-operative and relationship with its rules), sections 109-114 (Amalgamations and transfers of engagements between societies and Conversion of Co-operative into company etc), sections 119(3)(b) and 120 (Dissolution

of Co-operative by an instrument of dissolution), and the Insolvency Act 1986 sections 84-86 (Resolutions for, and commencement of, voluntary winding up).

60. Unless the Act specifically requires a special resolution to be passed at a General Meeting, an Extraordinary or ordinary resolution may be passed as a written resolution. A written resolution may consist of several identical Documents signed by one or more Members.

THE MANAGEMENT COMMITTEE

61. The Co-operative shall have a Management 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 managed except to determine those issues specifically designated under these Rules as the responsibility of a general meeting.

62. The Management 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 Management Committee in accordance with the 'Management Committee Nominations' and 'Management Committee Elections' provisions in these rules. Amongst the Management Committee's functions shall be to:

(a) define and ensure compliance with the values and objectives of the Co-operative 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 Co-operative, or which affect material issues of principle;
(f) monitor the Co-operative'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 Co-operative's authority);
(h) satisfy itself that the Co-operative's affairs are conducted in accordance with generally accepted standards of performance and propriety;
(i) take appropriate advice;
(j) oversee the negotiation of the management agreement and allowances with the Council and oversee its operation.

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

MANAGEMENT COMMITTEE COMPOSITION

63. The Management Committee shall consist of not more than twelve and not less than six elected members (who must be shareholders), plus persons co-opted in accordance with the provision of these rules unless otherwise determined by the Co-operative in general meeting.

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

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

66. The Management Committee shall in its annual report set out the obligations of every committee member. The Management Committee shall review and may amend the obligations of Management Committee members from time to time.

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

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

CO-OPTION

69. The Management Committee may from time to time co-opt any person, whether or not a member of the Co-operative, to serve on the Management Committee in addition to the elected members. The Management Committee may also remove any person co-opted.

70. A person co-opted under this rule may take part in the deliberations of the Management Committee and vote at any meeting of the Management Committee. Not more than two co-optees shall serve on the Management Committee at any one time or if the maximum number of Management Committee members determined under these rules is the minimum of six, only one person may serve as a co-optee.

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

    (a) Co-opted Management Committee members sought to ensure the Management
    (b) Committee has appropriate skills:
        (i) The Management Committee may at any time co-opt Management Committee members for their skills, knowledge and qualities who do not reside in the Area provided that persons co-opted shall never exceed one third of the total Management Committee.
        (ii) Such voting co-optees shall not be counted for purposes of calculating a quorum but shall otherwise be full members of the Management Committee.
        (iv) Such co-opted Management Committee members have full speaking and voting rights at meetings of the Management Committee except they cannot vote on the election of officers.
        (iv) Any person co-opted by the Management Committee may be removed by a majority vote of the Management Committee.

    (c) Co-opted Management Committee members sought to fill casual vacancies who live in the Area:
        (i) If the Management Committee falls below the minimum number as expressed in these rules, the Management Committee shall act to fill such vacancies or to call a general meeting of the Society, and for no other purpose.
        (ii) The Management Committee may at any time co-opt any member to fill any casual vacancy on the Management Committee provided that members so co-opted shall never exceed one third of the total Management 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 Management 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 Management Committee on standing down.

(iv) Any person co-opted by the Management Committee may be removed by a majority vote of the Management Committee.

(v) Such co-opted Management Committee members have full speaking and voting rights at meetings of the Management 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.

MANAGEMENT COMMITTEE MEMBER NOMINATIONS

72. Nominations for elections to the Management Committee shall be invited from all members of the Co-operative by writing to them at the address recorded in the Register of Members not less than fourteen days before the date set for the Annual General Meeting. If members provide an email address, nominations maybe invited by email although signed paper copies of the completed nomination form must be returned as stated in rule entitled 'Management Committee Member Nomination'.

73. Nominations of members willing to stand for election to the Management 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 Management Committee; and
(e) contain a statement by the member nominated of his or her willingness to accept the responsibilities of a member of the Management Committee as required by the rule titled 'Responsibilities of Management Committee Members'; and
(f) contain a statement that confirms that the member would not be ineligible for membership of the Management Committee by virtue of sub rules (a) to (f) of the rule titled 'Termination of a Management 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 less than seven clear days before the date appointed for the Annual General Meeting at which elections are to take place.

74. 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.

75. The Annual General 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 any vacancies which remain.

ELECTION OF MANAGEMENT COMMITTEE

77. At every Annual General Meeting not less than one third of the elected Management Committee members shall retire from office. A retiring Management Committee member shall be eligible for re-election but must be duly nominated as provided for in rule entitled 'Management Committee Nomination'.

78. 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.

79. If a Management Committee member is elected to replace a Management Committee member who has retired before the end of their three-year term, the newly elected Management Committee will serve until the next Annual General Meeting when they will be eligible to stand for election.

80. If a Management Committee member is found to have breached the standard of conduct required of a Management Committee member under rule entitled 'Removal of Management Committee Member' and has subsequently ceased to hold office as a Management Committee member (whether by removal under that Rule, by resignation, or by the end of their term of office) the person concerned shall not be eligible to stand for re-election to the Management Committee for such period as the Management Committee may decide following their ceasing to hold office.

81. If at an Annual General Meeting, the candidates for election as Management Committee members do not exceed the number of vacancies of the Management Committee the Chair shall declare those candidates to have been duly elected. If the number of candidates exceeds the number of vacancies the meeting shall elect the Management Committee members by ballot in such a manner as the Chair directs.

82. The election shall be conducted by secret ballot in such manner, as Management Committee shall direct, provided that all members of the Co-operative are given clear instruction regarding how they may participate in the election.

83. 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; 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; the member with the highest number of votes shall be declared elected to the Management Committee followed by the member with the second highest number of votes and so forth until all the available places on the Management 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 Management Committee those to be elected from the lowest scoring candidates shall be chosen by the drawing of lots.

84. Management Committee members elected shall serve for a term of three years. After three years Management Committee members must retire and stand for re-election subject to the rule entitled 'Management Committee Member Nomination'.

85. A General Meeting of the Co-operative may designate some or all of the available places on the Management Committee as reserved for Members of underrepresented groups within the area of benefit of the Co-operative, with a view to ensuring the Management Committee fairly represents all groups within the community it serves, to fulfil its objectives. Members so elected must be aware that they must act in the best interest of the C-operative and not their interest group. In such an event, while

nominations for available places shall be sought on a special interest basis, all members of the Co-operative present at the general meeting shall be entitled to vote in respect of all available places on the Management Committee.

ELECTION OF MANAGEMENT COMMITTEE OFFICERS

86. The Co-operative shall have a Management Committee of Officers comprising not less than three Officers who shall be elected, appointed in accordance with procedures, approved from time to time by the Management Committee, based on merit and objective criteria.

87. Only Members of the Co-operative who are aged 18 years or more may serve on the Management Committee of Officers.

88. New Management Committee members must serve a minimum of one year before taking up an Officer's role unless exceptional circumstances make it necessary, at the discretion of the Management Committee.

MEETINGS OF THE MANAGEMENT COMMITTEE

89. The Management Committee shall at their first meeting after each annual general meeting, elect a Chair, Secretary and a Treasurer, to serve until the close of the next annual general meeting.

90. The Co-operative's officers shall be the Chair, Secretary, Treasurer, and such others as may be appointed from time to time. The officers shall discharge their powers and responsibilities in accordance with these Rules and with such regulations, standing orders, policies, and procedures as may be established by the Co-operative.

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

92. The Secretary shall ensure that meetings are properly called and minutes kept, that the register of members and officers is maintained, that the use of the seal is recorded, and that the appropriate returns are made to the Registrar.

93. The Treasurer shall manage the financial affairs of the Co-operative and ensure that adequate records are kept.

94. The quorum of the Management Committee meetings shall be one-third of the total Management Committee, unless a general meeting sets a higher quorum.

95. Except where provided otherwise in these Rules, the Management Committee shall determine issues by a majority of Management Committee members present and voting. If any vote is tied, the proposal shall be deemed to have fallen.

MANAGEMENT COMMITTEE EDUCATION AND TRAINING

96. Management Committee members must undertake an induction and relevant training so that they can properly fulfil their duties.

97. The Management Committee will prepare, approve and enforce a code of conduct for committee members that sets out expected behaviours and conduct. All committee

members will be required to sign an acceptance of the code of conduct on taking office, or as soon as practicable afterwards.

POWERS AND DUTIES OF THE MANAGEMENT COMMITTEE

98. The business of the Co-operative shall be managed by the Management Committee which shall exercise all the powers of the Co-operative as may be exercised or done by the Co-operative in General Meeting, except those powers that are required by the Act or under these Rules to be exercised by the Members.

99. The Management Committee is accountable to its members and wider stakeholders, preserving value and impact for the long-term success of the business of the Co-operative.

100. The Management Committee has the following responsibilities:
    (a) To ensure that the Co-operative's affairs are conducted in accordance with, these Rules, the best interests of the co-operative and the community it is set up to benefit and its members and wider stakeholders taking the views of Members and wider stakeholders into account;

    (b) To determine the purpose, strategy, culture, values and policy of the Co-operative in consultation with the Officers and its Members;

    (c) To determine the risk strategy of the Co-operative and ensure that risk management is addressed;

    (d) To oversee the work of the Officers in the day-to-day management of the business of the Co-operative.

REGULATIONS

101. No Regulations made by the Co-operative in general meeting shall invalidate any prior act of the Management Committee which would have been valid had those terms not been made.

102. The Co-operative in a General Meeting, or a meeting of the Management Committee, may from time to time make, adopt and amend such Regulations in the form of bye-laws, standing orders, secondary rules or otherwise as they think fit for the management, conduct and regulation of the affairs of the o-operative and the proceedings and powers of the Management Committee and sub-committees. Such Regulations (if any) shall be made available to all members. No regulations shall be made which are inconsistent with these rules or Act. All members of the Co-operative and the Management Committee shall be bound by such regulations, whether or not they have received a copy of them.

DELEGATION OF POWERS BY THE MANAGEMENT COMMITTEE

103. The Management Committee may delegate any of its powers to sub-committees consisting of such committee members and other persons as it thinks fit.

104. Any sub-committee shall, in carrying out the powers entrusted to it, conform to the instructions given to it by the Management 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.

105. 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.

106. The Management 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 Management Committee’ or the rule titled ‘Officers’ in these rules.

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

108. A resolution in writing signed by all Management 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 Management Committee or sub-committee duly called and constituted.

109. Subject to these Rules, the officers may delegate any of the powers which are conferred on them under these Rules to any Person or committee, which may consist of Members of the co-operative, and such other Person as the Management Committee may choose, by such means, to such an extent, in relation to such matters and on such terms and conditions as they think fit.

110. The officers may specify that any such delegation may authorise further delegation of the powers by any Person to whom they are delegated. No Person or committee to whom the officers have delegated powers can incur expenditure on behalf of the co-operative, unless the Management Committee has previously approved a budget for the relevant expenditure.

111. The officers may revoke any delegation in whole or in part or alter any terms and conditions.

REMOVAL OF COMMITTEE MEMBERS

112. 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 member, 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

(iii) 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

(iv) any other reason deemed by the committee as material or serious enough to warrant removal of the member from the committee.

113. 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.

114. 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 'Management 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 MANAGEMENT COMMITTEE MEMBER'S APPOINTMENT

115. 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 assault on a police officer in the course of carrying out their duty; or

  (iii) 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 and is more than 8 weeks rent in arrears, unless in the opinion of the Chair, having scrutinised supporting evidence, such arrears are caused by circumstances beyond the Lawful Resident's control.; or

(h) he/she is a leaseholder, is more than two months in arrears or two agreed instalments unless in the opinion of the Chair, having scrutinised supporting evidence, such arrears are caused by circumstances beyond the leaseholders control;

(i) (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

(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

(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.

CASUAL VACANCIES ON THE MANAGEMENT COMMITTEE

116. 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.

DELEGATION OF POWERS BY THE MANAGEMENT COMMITTEE / SUB-COMMITTEES

117. Subject to these Rules, the committee may delegate any of the powers to sub-committees consisting of such committee members and other persons as it thinks fit.

118. No more than two members of any sub-committee may be Persons other than elected members of the Management Committee. Any sub-committee so formed shall in the exercise of its powers conform to any regulations imposed upon it by the Management Committee.

119. 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.

120. 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.

121. The officers may specify that any such delegation may authorise further delegation of the powers by any Person to whom they are delegated. No Person or committee to whom the officers have delegated powers can incur expenditure on behalf of the co-operative, unless the Management Committee has previously approved a budget for the relevant expenditure.

122. The Management Committee may revoke any delegation in whole or in part or alter any terms and conditions.

123. All acts and proceedings of any sub-committee must be fully and promptly reported to the officers and at least to the next Management Committee Meeting.

124. 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.

125. 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 or constituted.

PROCEEDINGS OF A MEETING OF THE MANAGEMENT COMMITTEE

Calling a Meeting of the Management Committee

126. The Management Committee shall meet together at least six times in every calendar year for the dispatch of business, adjourn and otherwise regulate their meeting as they think fit.

127. A committee member may, and the Secretary shall, at the request of a committee member summon a meeting of the Management Committee at any reasonable time, provided that every member of the committee shall receive at least seven clear days' notice of any such meeting. Notice of any meeting of the Management Committee must indicate the date and place of meetings and, if the committee members participating in the meeting will not be in the same place, how they will communicate with each other.

128. A committee member is able to exercise the right to speak at a meeting of the Management Committee and is deemed to be in attendance when that Person is in a position to communicate to all those attending the meeting. The Management Committee may make whatever arrangements they consider appropriate to enable those attending a meeting of the committee to exercise their rights to speak or vote at it, including by Electronic Means. In determining attendance at a meeting of the Management Committee, it is immaterial whether any two or more committee members attending are in the same place as each other.

129. Questions arising at any meetings of the Management Committee shall be decided by a majority votes of those present. In the case of an equality of votes the chair shall have a second or casting vote.

130. A written resolution, circulated to all Management Committee members and signed by a simple majority, shall be valid and effective as if it had been passed at a Management Committee Meeting duly convened and held. A written resolution may consist of several identical Documents signed by one or more Management Committee members.

131. The Management Committee may, at its discretion, invite other Persons to attend its meetings with or without speaking rights and without voting rights. Such attendees will not count toward the quorum.

Quorum for Management Committee Meetings

132. No business shall be transacted at a Management Committee meeting unless a quorum of members is present. The quorum necessary for the transaction of business at a Management Committee Meeting shall be five elected members of the Management

Committee or half of elected Management Committee members, whichever is the lesser.

133. If at any time the total number of Management Committee members falls below the quorum required, the Management Committee are unable to take any decisions other than to appoint further Management Committee members or to call a general meeting of the co-operative, so as to enable the Members to appoint further Management Committee members.

Chairing Management Committee Meetings

134. The chair shall normally preside at the Management Committee meetings of the Co-operative. If 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 present shall elect one of their number to chair the meeting.

135. 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.

Declaration of Interest

136. A committee member shall declare an interest in any contract or matter in which they have a personal, financial or material interest, whether directly or indirectly, may be required to be absent from the meeting while the matter is determined. They shall not vote in respect of such contract or matter and if they do so vote, their vote shall not be counted.

137. 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.

Conflict of Interest

138. Management 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.

139. 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 Management Committee.

140. Where a conflict of interest cannot be avoided, any Management 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.

141. 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 Management Committee's minute book stating that such committee member has ceased to be a member of the Management Committee.

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

143. 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.

SPECIAL MANAGER PROVISIONS

144. 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.

145. If the Landlord agrees to this request, the Landlord may exercise all the powers of the Management 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.

146. 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.

RESPONSIBILITIES OF MANAGEMENT COMMITTEE MEMBERS

147. 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 'Declaration of Interest and Conflicts of Interest' in these rules;
(e) comply with the Data Protection Act 1998, 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

148. In addition to the Co-operative three 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.

149. 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.

150. 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.

151. The Co-operative 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.

The Chair's Responsibilities

152. The Chair shall seek to ensure that:
(a) the committee's business and the Co-operatives 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 Co-operative to be carried on effectively between committee meetings;
(e) the committee receives professional advice when it is needed;
(f) the co-operative is represented as required; and
(g) the co-operative's affairs are conducted in accordance with generally accepted codes of performance and propriety.

153. 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.

The Secretary

154. 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.

Treasurer

155. The Co-operative 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.

156. The treasurer shall:
(a) ensure that all the financial aspects of the Co-operative's activities are carried out in accordance with the Co-operative's financial regulations;
(b) oversee the finances of the Co-operative 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 Co-operative.

157. 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.

Other Officers

166. The Management Committee may designate as officers such other executives from time to time as it decides.

SECURITY BY OFFICERS AND INDEMNITY

158. 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.

159. 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.

160. 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 MANAGEMENT COMMITTEE

161. 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 in accordance with the Members Expenses policy; and
   (d) grant benefits to committee members, co-optees and members of committee; 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

162. 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.

163. 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 anybody that succeeds its functions) to carry on that activity without first having applied for and obtained such permission.

164. 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

165. 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 anybody 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.

166. 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.

167. 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

168. 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

169. The Co-operative may apply any surpluses towards furthering the objects of the Co-operative.

170. 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.

171. Any surpluses not applied or set aside shall be carried forward.

AUDIT

172. 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.

173. 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.

174. 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 percent of the members of the Co-operative cast their votes against the resolution.

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

176. 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.

177. The following persons are prohibited from appointment as auditor of the Co-operative:
   (a) member, officer or employee of the Co-operative;
   (b) a person who has any of the following relationships to a Management 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.

178. 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.

179. 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

180. 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.

181. 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

182. 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.

183. 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.

184. 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.

MINUTES AND RECORDS

185. 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

186. 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) 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;
    (d) 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.

187. 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.

188. 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.

189. 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

190. 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

191. 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 whose decision shall be binding and conclusive, and application for the enforcement thereof may be made by either party to the County Court.

192. The costs of referring the dispute to the County shall be borne as the County Court or the Sheriff's Court directs.

STATUTORY APPLICATIONS TO THE REGISTRAR

193. 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.

194. 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

195. 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

196. 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.

197. 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.

198. 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

199. 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

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

201. 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.

202. 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.

203. 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 OF TERMS

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;

“Management Committee” shall mean a management Committee of the Co-operative

“Management 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 Management 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, including Annual General Meetings and special general meetings;

"**interest**" in rule entitled ‘Declaration of Interest’ and ‘Conflict of Interest’ shall mean a direct or indirect benefit to any Management Committee member, or close relative of theirs, except in their capacity as a member of the Co-operative;

“landlord” shall mean London Borough of Tower Hamlets as well as 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

"**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 or in respect of which the Co-operative seeks to negotiate a management agreement;

"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.

	PRINT FULL NAME	POSITION	SIGNATURE	DATE
1.		Chair		
2.		Vice Chair		
3.		Secretary		
4.		Treasurer		

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.