

# Lordship Hub Co-operative

## Special General Meeting re: Constitution Amendments

25<sup>th</sup> June 2022

**Present:** Dave Morris (Chair), Sue Jameson (Secretary), Ruth Keeling (Membership Secretary), Sandra Sutherland (Personnel Officer), Issy (Volunteer Co-ordinator), Yvonne Richards (Board member), Peter, Susan, Stuart, Vicki, Joan Curtis, Carole, Karoli, Sally Haywill, Martin, Nina, Catherine, Elizabeth, Geoff, Aher, Dante, Ruth, Claire, 3 others

### **Agenda. Extraordinary Resolution: Amendments to the Hub Co-operative Constitution**

Meeting started 2.35pm. Dave explained the history and background to this special meeting: The original constitution in 2013 had separated shareholding from membership and had proved difficult to administrate and also to involve members effectively in decision-making. It also needed amending in some other key aspects. We discussed this in 2018-19, but had not resolved matters by the time the pandemic kicked in and these efforts had to be suspended. We recently contacted Co-ops UK Advice Team for legal advice, and they recommended updating our constitution to their 2014 model constitution, choosing the options which suited our aims (particularly regarding max one share and synchronised shareholding/membership, and removing clauses enabling assets or profits to be disbursed to members).

As a result the Board had made proposed amendments to the constitution, which had been submitted to and approved by Co-ops UK Advice Team, and was calling this special meeting to recommend approval via an Extraordinary Resolution. It was to be the sole business of the meeting.

Shareholders and members had been invited to attend the meeting, and sent full details - including a link to a dedicated page on our website (see text below) explaining the background and the purpose of the changes, and with a link to a copy of the constitution showing the proposed amendments in track changes.

At the meeting, the Membership Secretary was available to discuss any issues with those present, and had copies of our lists of existing shareholders and members. The constitution with the proposed amendments in track changes was displayed on our big screen, and our Chair scrolled through. Paper copies of the constitution were available for those present (3 people took up the offer), and a copy of the website Constitution page text was given to all present.

Dave explained that the key proposed changes were: 3 additional objects, synchronised membership and shareholding (max one per member), simplified membership, shares to revert to the Hub when membership not renewed (with an option for current 'historic' shareholders to have their shares above £1 reimbursed before 31.12.2022), a staff representative on the Board, and no disbursements of assets or profits to members (even upon dissolution). The amended Constitution would be submitted to the Financial Conduct Authority (our regulator) for final approval.

After a number of questions and issues discussed, the meeting voted unanimously for the changes as proposed.

No further business. Meeting closed 3.30pm.

---

### **Appendix 1: The text of the special page created on the Hub's website**

<https://lordshiphub.org.uk/about-us/our-constitution/>

## **Our constitution**

The board of Lordship Hub's community co-operative is recommending to members that we amend our constitution, which was originally adopted in 2013 (based on the Industrial and Provident Society's Act 1965).

### **Why is the board recommending these changes?**

These amendments will mean that the constitution better reflects the Hub's role as not-for-profit organisation that is run for the local community's benefit. This is something that was broadly decided and voted on by our board and membership in 2019 but has been delayed by Covid.

In addition, [Co-operatives UK](#) has advised that we need to use the more up to date template based on the Cooperatives and Community Benefit Societies Act 2014.

Co-operatives UK support the changes we are proposing.

### **What are some of the key changes and why are you making them?**

Further objectives have been added – this is to reflect our aim to serve and support our diverse community and promote environmental sustainability

We have removed clauses which enable disbursement of any funds, surplus or assets to members/shareholders – this will make us eligible to apply for grant funding which is off-limits to bodies with such clauses.

All members will have only one share, and all shareholders will be members – this simplifies our membership from the current system where not all shareholders are members, and some members have bigger shareholdings than others, which is unnecessary as we are not-for-profit and do not intend to disburse any surplus to shareholders.

### **Why are you keeping shares?**

All registered co-operatives must have shares, as set out in the 2014 Act.

### **How will this affect my membership?**

All members/shareholders will have one share/vote, the system for joining will be simplified, and there will be an annual 'refresh' to ensure our membership list remains up to date. Anyone ceasing to be a member will cease to be a shareholder and vice versa, which will simplify and synchronise things.

### **I own more than one share, which was allowed under the old constitution. What will happen to all my shares and the money I invested?**

All current shareholders will remain members until the next due date for our annual subscription. After that all 'historic' shareholding above £1 will revert to the co-operative. All such 'historic' shareholders will be given the option of having any outstanding shares reimbursed.

### **When will this change happen?**

We are holding a special members' meeting on Saturday 25th June 2022 to ask members whether they support the Hub board's recommendations. The discussion and vote will take place at 2.30pm after we have celebrated the Hub's 9th birthday with a slice of birthday cake.

### **Where can I find the current and new constitutions?**

This [PDF version](#) of the constitution shows the exact changes to our existing constitution that the board is recommending – the changes are in red.

### **Do you have any questions which we have not answered?**

Email [membership@lordshipub.org.uk](mailto:membership@lordshipub.org.uk)