



Guidance – membership matters

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This guidance is about. It relates to **L7 Membership Matters** in the **Community Led Homes Programme**.

The guidance considers:

- the importance of involving members
- different ways that members could be involved
- formal involvement of members in meetings
- various member meeting paraphernalia
- maintaining the member share register

Community-led housing organisations are membership organisations. Either Society rules or Company articles of association define who can become a member and what formal legal powers the membership has. The rules or articles of association refer to various issues relating to membership. For ease of reference, this guidance refers to rules and this is intended to mean rules or articles of association.

However, membership of a community led housing organisation is about more than just the formal legal powers in the rules. It is about members identifying with the organisation, having ownership and a sense of ownership of it – the members being the organisation's guardians and stewards. The membership needs to set the framework of values that guide how the organisation operates and the membership need to have some understanding of how well the organisation is achieving what it set out to do.

In a small scheme where there are only a few members, probably just a small number of residents, it is likely that the full membership will be the governing body of the organisation.

In a larger community-led housing organisation, and where the membership is not necessarily made up solely of residents, there is likely to be a governing body, primarily drawn from the membership, possibly elected but at least accountable to the membership.

This guidance considers the following areas:

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1 Accountability to membership

Membership is the *raison d'être* of community-led housing organisations. Community-led housing organisations are about a defined community in some way shaping their housing and this community is usually entitled to become members of the organisation. Community-led housing always has to be about more than just a handful of people on a Board making decisions on behalf of the community without any accountability to them.

The membership will usually have legal powers regarding General Meetings. These powers may include:

- the power to call for a General Meeting if sufficient members consider it necessary to do so
- the power to vote at General Meetings on motions which may be binding or advisory
- powers over who is on the governing body of the organisation

Different community-led housing organisations will approach these issues in different ways. Legal powers are set out in the rules of the organisation.

But a community-led housing organisation is unlikely to feel that it is community-led unless the community – the membership – feels that it's their organisation and that they share and have an opportunity to shape its vision and values. The democracy of a community-led housing organisation needs to be based on firmer footings than just votes in meetings. The organisation needs to ensure that generally a good cross section of the membership is supportive of the direction and key decisions of the organisation. Of course – some people may disagree about some issues – in which case voting rules may come into play – but in an excellent community-led housing organisation, the governing body always considers and tries to accommodate the views of members – ensuring that there is two-way dialogue on different levels taking into account that people engage in different ways.

There are potentially many methods that could be used to involve members:

- **general membership meetings** – of course general membership meetings are an important part of a community-led housing organisation. There is a requirement that an Annual General Meeting is held – and rules will specify if there is a formal requirement for other general meetings. If there is a key issue that the governing body wishes to discuss with members, or if a sufficient number of members consider that there is a need to hold the governing body to account formally, there will be powers to call a Special General Meeting at which members will be entitled to vote.

Unless there are contentious issues, it may be likely that most formal motions at General Meetings will be passed unanimously. However, participating in the formal voting procedure is important because it reminds members of the formal legal powers they have.

Contentious issues are not always best dealt with through General Meetings, but they may have to be. The organisation needs to comply with its rules regarding voting on issues at General Meetings and where sufficient procedure is not set out in the rules, the organisation should agree appropriate standing orders governing conduct of General Meetings.

- **governing body opportunities** – some members are likely to be involved at governing body level. The rules will specify how the governing body is elected or selected.
- **membership communications** – the governing body needs to ensure that there is periodic communication with the members about key issues in the community-led housing organisation.
- **informal dialogue** – in any community-led housing organisation, there is likely to be informal dialogue taking place. This is good for spreading information, but care needs to be taken to ensure that all members have the means to access information about how the organisation is running.
- **community activity** – there could be a wide variety of community activities taking place in a community-led housing organisation. Dependent on the nature of the organisation, it has been known for community-led housing organisations to hold fundays, barbeques, community meals, activities for children and/or young people, activities for the elderly, fitness clubs, gardening activities, communal libraries – in fact anything that members of the community want to do. This sort of activity is often the lifeblood of a community-led housing organisation.

- **membership surveys** – membership surveys can be an important part of involving the membership. Surveying members might be an important method of finding out how members feel about particular issues. It may enable some members to participate who may be uncomfortable participating in other ways.
- **knowing members** – larger organisations may do “member profiling” – ie. knowing about the demography of members; what they are interested in; how they would like to be contacted; and whether they have any special needs. In smaller organisations, this information may be known anyway.
- **member involvement in working groups** – members may be involved in the organisation's committees (permanent groups) or working groups (task and finish groups). Any such groups should always be accountable to the governing body and it would normally be expected that a governing body member would chair them or at least be a member of them.
- **member sign up** – discussing involvement in the community-led housing organisation at the time that the member is signed up formally as a member or when they sign their tenancy or lease can be good to do, but the incoming member may have other things on their mind at that time
- **member induction packs** – having a comprehensive member induction pack may be particularly helpful so that the incoming member can refer to information about the community-led housing organisation at the time that is right for them. A member induction pack might include a member handbook that includes information about democratic processes, the equality and diversity policy, the complaints policy – as well as of course, policy information and simple information about how the member accesses services in relation to their membership (i.e. for resident members, particularly including information about the repairs service and emergency information – what to do in the event of fire). A member induction pack may also include a range of information about the local neighbourhood, such as rubbish collection times, local transport services. Some community-led housing organisations also provide new resident members with various items such as cleaning materials, toilet paper, tea bags or other materials that might help with the moving in process.
- **introductions to other members** – how members are brought into a community-led housing organisation is particularly important. Ensuring that they know other members when they first become members may be helpful. Arranging mentoring and buddying may be a good thing to do (i.e. having someone assigned to call on the new member and go with them to meetings). For resident members, it is good practice to arrange to call round to the new member a few weeks after they have moved in

to ensure that they are settling in and to check whether they have all the information they need or whether there are any issues they wish to raise.

- **member training** – member training is clearly important in a community-led housing organisation. Providing opportunities for members to develop themselves is important, as is ensuring that they have the information that they need to be able to make appropriate business decisions about the community-led housing organisation. Training could be provided in a number of ways – formal training courses (either external courses or bespoke courses arranged for the community-led housing organisation); on the job training where a seasoned member mentors a new member; conference and events; accredited training if appropriate – all of these can play a part in helping members participate in the organisation.
- **complaints** – if a member wishes to make a complaint – this should be seen as them being involved in the organisation. They are telling the organisation about something that they are not happy with – and this information is an important way for members to be involved. Community-led housing organisations should consider carefully how they facilitate, encourage and respond to member complaints.

3 Meeting paraphernalia

There are various bits of meeting paraphernalia that community-led housing organisations need to consider. Some of the issues below need to be specified in rules or in standing orders, but regardless of where things are set out, a community-led housing organisation needs to have clarity about how it will deal with the following:

- **calling Special General Meetings** – a community-led housing organisation needs to be clear about how members can call a Special General Meeting. This may be set out, at least partially, in rules. It would be usual to expect that a specified proportion or number of members would be necessary to call an SGM and that the governing body would be able to call one if it considered there was a need to do so.
- **how meetings are notified** – again this is likely to be set out in rules – but things to consider will include whether meetings can be notified in writing or done digitally; how many days' notice need to be given – e.g. usually 14 days for a General Meeting and 7 days for governing body meetings; stating what the meeting is about – especially any resolutions or elections to be held at General Meetings
- **sending out meeting papers in advance** – meeting papers for General and governing body meetings need to be sent out in advance so that attendees can consider issues before the meeting. The papers need to clearly specify decisions that need to be taken. Papers should also specify how to give apologies and to raise matters of other business.
- **rules about proxy voting** – community-led housing organisations need to consider how proxy voting can take place. Potential options may include giving votes to the meeting chair or to someone the member specifies or voting for or against particular motions. There are various pros and cons about proxy voting methods. Community-led housing organisations need to guard against more unscrupulous members garnering bundles of proxy votes to force through their views on particular issues.
- **setting agendas** – the community-led housing organisation needs to consider how it will set its agendas. It is common practice that the Chair and the Secretary will work together to set agendas – but larger organisations may involve their staff in setting agendas. Some standard agenda items may include:
 - a) identifying those present and apologies for absence
 - b) agreeing minutes of the previous meeting
 - c) matters arising from the minutes not covered on the agenda
 - d) declarations of interest in items on the agenda
 - e) notification of any other business

- f) main agenda items (including officer reports)
- g) correspondence
- h) any other business
- i) date and venue of future meetings

It may be appropriate to identify who is responsible for each of the main agenda items and to specify whether agenda items are for decision, discussion or information. Some community-led housing organisations use timed agendas to ensure that all items are covered in the meeting. Where decisions are needed – those preparing reports should make recommendations to the meeting so that attendees can consider their views on recommendations. Consideration needs to be given in setting agendas about placing critical decision items earlier in the agenda and how to place any controversial items and any financial items. Dependent on the stage of organisational development of a community-led housing organisation – it is important to stimulate debate and discussion at meetings so that all participants feel that they have played a part in the meeting. More discursive items may be necessary on occasion to ensure that a cross section of members participate.

- **standard report structure for governing bodies** – it may be useful for governing bodies to adopt a standard reporting structure to ensure that attendees get used to how they are being asked to make decisions. The following may be pertinent to a standard reporting structure:
 - a) can all the salient points be contained on one page – with background information presented on subsequent pages
 - b) should the standard report identify that the item is confidential?
 - c) is the report relating to a strategic, procedural, performance-related, finance-related, risk-related, governance-related agenda item?
 - d) who is the report author?
 - e) what is a ten line summary of the item in question?
 - f) what are the recommendations?
 - g) what are the risk, financial or other implications?
 - h) are there implications regarding engaging with the membership?
 - i) what external advice has been taken?
- **taking minutes** – community-led housing organisations need to take minutes of their meetings. The following are some of the issues that need consideration:
 - a) who takes the minutes of meetings? It is an important role, but those that do it may not be able to participate much in the meeting.
 - b) what type of minutes does the organisation want? – Some favour lengthy – perhaps verbatim minutes – but this approach is generally not used much nowadays. Most now prefer minutes that focus on actions, reports presented, and decisions made

- c) some like to see decisions recorded with proposers and seconders with voting numbers set out
- d) in the section stating who was present, it is normal to first include the people entitled to be there and vote – then to include any others as “in attendance” or observers
- e) it would be usual for minutes to be numbered following the agenda
- f) it is helpful to highlight action points and who agreed to do them
- g) care needs to be taken on confidential matters – where items are particularly sensitive they may need to be minuted separately
- h) there particularly needs to be a clear record of any decisions made
- i) the organisation's auditor (and others) may want to look at the minutes each year as a formal record of decisions taken
- j) the minutes need to identify the date and venue of future meetings

4 The member or share register

The member or share register is a legal document in a member-based community-led housing organisation. It is a legal requirement that it is kept and that share certificates are issued in accordance with policy. The organisation's auditor will want to see the share register annually – and information about the number of shareholders and capital they hold will be included in the accounts.

The share register needs to include:

- the shareholder's membership number
- the member's name
- the date they became a member (in some cases this may be the date that a member became a tenant or a leaseholder)
- the date they resigned (in some cases this may be the date they ceased to be a tenant or a leaseholder – in other cases, it may be the date the member died)
- any share capital the member holds

The organisation's rules will set out whether the organisation needs to hold a company seal. If this is a requirement of the rules, then any use of the company seal needs to be recorded – including in relation to issuing of shares.