

LISTER HOUSING CO-OPERATIVE LTD

SUMMARY OF THE MAIN CHANGES IN THE PROPOSED NEW LISTER RULES

based on the SFHA Charitable Model Rules 2020

1. The legislation has changed - it is no longer the Industrial & Provident Societies Act 1965 - it is the Co-operatives and Community Benefit Societies Act 2014. We are no longer an 'I and P society' - we are now a 'Registered Society'.
2. These new Rules (Rule 17) allow an AGM or SGM to be held virtually/online, so that if there were another set of circumstances similar to the Covid-19 period, Lister could hold its AGM online and thus continue to function normally and comply with its rules.

Our existing rules do not permit an online AGM – the 2020 AGM could only be held due to special powers granted throughout the UK by the Westminster parliament for a temporary period.

3. If a Committee member is alleged to have breached the Code of Conduct of Committee members (that all such members have signed) then whilst the matter is being investigated, the Committee has the power to suspend the right of the person to attend Committee meetings and get Committee agenda papers (Rule 34.8).

This is optional, i.e., the Committee can decide to apply this power or not in any particular case. If it does, it means the person affected cannot attend a committee meeting and potentially disrupt or influence it adversely whilst the alleged breach is being looked into.

4. Lister has never used the category of 'Prospective tenants' to have co-op membership. However, some clauses relating to Prospective members were accidentally still present in our rules, so these clauses have been removed.
5. The Scottish Housing Regulator (SHR) now only needs to be notified of changes to the rules or of other associated changes - previously we required to obtain their prior approval. This change affects all Scottish housing associations and co-operatives.
6. The Rules have been amended to include the clauses on transferring shares (Rules 13-14) which were omitted from the version considered at last year's SGM, and which require to be included in order to meet legal requirements.

CONCLUSION

The Management Committee has recommended that these proposed new rules be adopted by the Lister membership at its Special General Meeting. These updated rules support us to meet regulatory and governance expectations and best practice, whilst also giving us practical benefits, such as the valuable ability to hold a virtual AGM in circumstances where this is the only viable option.

These new rules, if adopted by the Special General Meeting, will only come into effect once they have been approved by the Financial Conduct Authority.

John Rankin
CEO, 30 August 2022