

# Information for candidates for the Co-operatives UK Board of Directors

This guidance offers an introduction to Co-operatives UK’s Board and an overview of the role of a Co-operatives UK director.

## Introduction

Co-operatives UK is incorporated as a society under the Co-operative and Community Benefit Societies Act 2014 and accordingly its directors are considered to have the same level of responsibilities as directors of other corporate bodies such as companies.

Co-operatives UK is also a co-operative and abides by the internationally recognised co-operative values and principles. As a membership body the composition of its Board of directors reflects the nature of the membership, therefore the Board has a number of places reserved for different categories of members. Depending on the category directors are either appointed or elected to the Board and the Board has the right to co-opt up to 2 additional directors in order to bring in additional expertise. The seats are allocated in the following way:



## Experience & skills

An effective board is made up of individuals with a diverse range of skills and experience that complement each other. Directors should each have skills, experience & attributes that make a positive contribution to the Board. The Board of Co-operatives UK must contain sufficient skills and experience to help ensure its long-term commercial success and to set its strategy and vision.

## **Board Purpose**

The Board has agreed a statement of its purpose:

Within the global co-operative movement Co-operatives UK is the UK apex body with a vision to build a better world through co-operation. Our mission is to grow the co-operative economy through action to promote, develop and unite co-operative enterprise.

Co-operatives UK's governing body, its Board of Directors, seeks to ensure this mission is put into effect. We aim to ensure the long-term success of Co-operatives UK by making policy and business decisions in the interests of our members and of the movement's development.

In carrying out this work, we:

- Abide by co-operative values and principles and operate as custodians of the Society, its values and its assets to safeguard its future;
- Set a strategic direction which reflects our mission and the needs of members, and work with the Management Team to:
  - provide accountable leadership to monitor performance and celebrate success
  - shape, review and evolve our plans over time
  - ensuring the organisation has the capabilities and capacity to deliver on current and future plans;
- Value compliance and ensure the organisation operates within a framework of prudent and effective policies and controls; including action to assess, monitor and mitigate risk to the organisation's sustainability and reputation;
- Seek to evolve as an exemplar of governance and boardroom best practice ensuring we fulfil our legal duties as directors.

## **What is involved in serving on the Board of Directors?**

You should be prepared to make a substantial contribution to Co-operatives UK and, as a minimum, you are likely to need to be able to give 10 - 12 days a year.

There are six board meetings each year (held in Manchester), our Annual General Meeting and a two-day strategy seminar. The role of a director is varied, you will be expected to perform your duties and responsibilities with integrity and efficiency to a standard commensurate with both the function of your role as director and your knowledge, skills and experience. As a director will be required to:

- Understand and exercise your powers within the constraints of the co-operative's governing document.
- Take decisions objectively in the interests of Co-operatives UK.
- Understand and abide by the co-operative's Code of Conduct for directors.

Directors can be expected to (this list is not exhaustive):

- liaise and engage via email between meetings, prepare for meetings, read electronic papers in advance and updates on activity at Co-operatives UK;
- constructively challenge and help develop proposals on strategy;
- scrutinise the performance of the Management Team and monitor the reporting of performance against Key Performance Indicators and objectives;
- satisfy themselves on the integrity of financial information and internal controls;

- uphold high standards and integrity and instil the appropriate culture, values and behaviours in the board room and beyond;
- determine appropriate levels of remuneration, play a role in the appointment and, where necessary, the removal, of the Chief Executive, and in succession planning
- represent Co-operatives UK externally including at events
- a number of directors also contribute additional time by serving on a subcommittee.

### **What are the responsibilities of Directors of Co-operatives UK?**

The role of Co-operatives UK's Board of Directors is to ensure its long-term success and act in accordance with the International Co-operative Alliance Statement on Co-operative Identity. The Board is appointed by and accountable to the member organisations that own and control Co-operatives UK. The Board provides accountable leadership by setting the strategic direction and ensuring it runs efficiently within a framework of prudent and effective controls.

Individuals must be aware of director duties and responsibilities in law, detailed in the Companies Act 2006, which apply indirectly to directors of societies. The duties are:

To act within powers

To promote the success of the co-operative

To exercise independent judgement

To exercise reasonable care, skill and diligence

To avoid conflicts of interest

Not to accept benefits from third parties

To declare interest in proposed transactions or arrangements with the co-operative

### **Confidentiality**

Directors are in a position of trust both for the Board and the organisation as a whole. They act as trustees and agents for the organisation and its members, and must not disclose confidential matters. As with standard practice when acting in the capacity as a director of Co-operatives UK, a director's duty of care is to Co-operatives UK and not any other organisation that the director may be a member of.

### **Term of Office**

Directors are elected for a three year term of office. Directors can serve a maximum of three consecutive terms of office (a total of nine years).

### **Expenses**

Co-operatives UK covers the cost of reasonable out of pocket expenses of directors, for details of our expenses policy are provided during director inductions.

### **Director's fee**

To recognise their contribution an annual fee of c£1,712 is paid to directors who do not receive an allowance for attending Co-operatives UK meetings from any other source.

### **More information**

If you want further information, or would like to speak to either a current Director or an officer of Co-operatives UK, please contact:

**Emma Laycock – Interim Society Secretary**

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