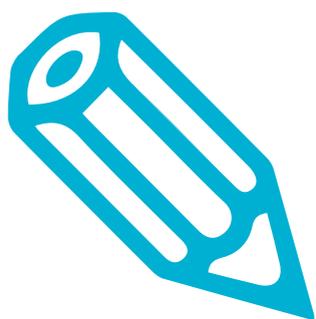


Effective Minute Taking

In-depth guide



Effective minute taking

The drafting of minutes for co-op meetings can pose a number of challenges for the person taking the minutes. Meeting minutes may, but need not be, taken by the co-op's secretary. If this is not the case it would be usual for the co-op to appoint a competent person to take minutes who is able to review and understand the agenda in advance of the meeting, including any related documentation.

The secretary is responsible for the preparation and retention of minutes and the chair and other directors are responsible for confirming their accuracy. As such it is generally a good idea for the secretary, prior to a general or board meeting, to discuss meeting procedure and how they can best support the chair.¹

Key skills of a minute taker

In choosing a competent person to take minutes, key skills to consider include the ability to:

- Listen to multiple voices at the same time and capture both arguments and tone
- Summarise discussions and conflicts accurately and record decisions taken and follow-up action points
- Identify which elements of the discussion are material and should be recorded
- Ask for clarification when necessary
- Stand firm when asked to deviate from what is believed to be an accurate record²

1 Guidance Note: Minute Taking, ICSA, 2016

2 Guidance Note: Minute Taking, ICSA, 2016

Meeting minutes and the law

If a co-operative is a limited company, the Companies Act 2006 requires that “every company must cause minutes of all proceedings at meetings of its directors to be recorded”.³ A record of minutes of all proceedings at general meetings should also be kept.⁴

If a co-operative is a registered society, the Co-operative and Community Benefit Societies Act 2014 does not explicitly set out a requirement for a society to take and retain minutes. However, it is good governance to do so and it is assumed that the society secretary is the designated minute taker.

Purpose of minutes

Minutes provide a formal, accurate, impartial, balanced and long-term internal record of the business carried out at the meeting for the benefit of the co-op rather than for any third party. Minutes can form part of an external audit and a regulatory review may be used in legal proceedings and form part of the corporate memory of the co-operative.

Format of good minutes

There is no right way to draft minutes. This guide has been designed to provide co-operatives with best practice hints and tips on the format of meeting minutes which can be adopted to meet the needs of their particular co-op. Properly constructed minutes should maintain a good balance between thorough commentary; succinct overviews on items discussed; and any action points – including a record of any delegated authority to act on behalf of the co-op.

It is useful for a co-op to have a template for compiling minutes. This creates consistency across the full range of meetings in respect of formality, layout and style. With regard to board meeting minutes, it is good practice for the board to confirm the format and to record this as a board decision. Minutes need to be written in such a way that someone who was not present at the meeting can follow the decisions made.

Typically minutes should always include:

- Heading – the name of the co-op, type of meeting, date, time and location
- Attendance and apologies – clearly delineating difference between directors and participants in attendance
- The presence of a quorum

3 Section 248(1) Companies Act 2006

4 Section S355(1) Companies Act 2006

- Background and purpose of the meeting unless it is a standard, scheduled meeting with a number of items of business on the agenda. If the latter, each item should receive separate treatment under its own heading
- The text of any resolutions put to the meeting and results of any vote. It is not necessary to include proposers and seconders of resolutions but is good practice to do so
- Details of any written resolutions
- Details as to whether or not there was a paper for each agenda item. If so, the document should be identified and confirm whether it was circulated in advance or tabled at the meeting
- The tone and substance of the discussion of each agenda item, setting out any deliberations that took place leading to any decisions made
- Details of papers presented to the meeting which must be retained by the co-op for the same length of time as the minutes
- In the case of board meetings a note if a director enters or exits the meeting after it has begun
- To enable quick reviewing of minutes, it's useful to capitalise key words such as APPROVED, DECIDED, RESOLVED, NOTED, ACCEPTED, AGREED, etc
- Action points, who is responsible for completing them and when
- The signature of the chair of the meeting (once minutes have been approved at the subsequent meeting)

Extra points to include specifically for board meeting

Board minutes are a written demonstration of how the board and its directors act - both collectively and individually. The minutes should be prepared in a way that demonstrates that board members have observed their responsibilities to the co-op and complied with their legal and regulatory duties. Specifically for board meetings it is important that:

- Directors make declarations of conflicts of interest and abstain from a decision being made
- Minutes evidence appropriate challenge in order to hold executive staff to account
- Directors receive relevant material in advance when a summary is presented to the board for review and confirmation

Tips and hints for recording minutes

- Check previous minutes to determine naming conventions for individuals. It may be useful to use a person's initials if their full name is given in the attendance list at the beginning of the minutes
- Be sure to attribute each comment or query to relevant attendee

- Try not to record proceedings of the meeting verbatim. It is important to summarise discussions in such a way that provide enough information to enable a person not present at the meeting to fully understand how a decision was reached. For example, for a detailed discussion it is acceptable to say: "Following a detailed/lengthy discussion it was agreed that..."
- Use past tense and third person. For example: "Mr Robert Owen advised that he had..."
- Ask for clarification on any points during the meeting via the minute taker. For example: "Chair, may I interrupt..." and "Could you clarify..."
- Draft board minutes in such a way to demonstrate that board members have observed their responsibilities to the co-operative and complied with their legal and regulatory duties

After the meeting

It is good practice to write up any draft minutes as soon as practicable after the meeting. They should then be circulated in draft format (and marked draft) to the attendees of the meeting. It may be preferable for the chair to have sight of the draft minutes before circulating more widely. It is good practice for co-ops to have a timetable in which this must happen. Following refinements:

- Minutes of general meetings should accompany the agenda and notice for the subsequent general meeting, where members should be asked to approve that the minutes are a correct record of the proceedings. For meetings held infrequently, it may be more appropriate for minutes to be sent for approval by electronic means – but where this occurs it would be reasonable for approval to be ratified at the next meeting. Any agreed alterations to minutes must be initialled by the chair. The chair of the meeting should then sign the minutes. Minutes should not be altered once signed. Any subsequent revisions that are necessary should be dealt with by an amending minute at a subsequent meeting
- Minutes of board meetings should be sent to the directors with the notice and papers for the subsequent board meeting at which, as the first item of business, the board should be asked to approve that the minutes are a correct record of proceedings. Any agreed alterations to minutes must be initialled by the chair. The chair of the meeting should then sign the minutes and once signed should not be altered. Any subsequent revisions should be dealt with by an amending minute at a subsequent meeting

Who can inspect minutes?

Minutes of general meetings – limited companies

Members of the co-op have the right to inspect minutes of general meetings but not minutes of board meetings (unless, unusually, the articles of association or an agreement such as a shareholders' agreement gives them that right).

Minutes are part of the statutory records included in the register of a company and must be available for inspection between the hours of 9am and 3pm every working day. They may be inspected for a period of up to two hours. Any member of the public can request to inspect a company's statutory records for a 'proper purpose'.

If the requested inspection date is during the notice period of a general meeting or a written members' resolution, the required notice period is two working days. At all other times, a notice period of 10 working days is required. Requests made for a 'proper purpose' must be met within five working days, otherwise a fine may be imposed.

It is normal practice to give the auditor access to board minutes where requested (and directors have a duty under the Companies Act 2006, to provide auditors with all relevant information for their audit).

When making a request, the following information should be given to company:

- Name and address of person making the request and, if applicable, the name of the company or organisation they are acting on behalf of.
- Purpose of the inspection.
- To whom the information will be disclosed, if applicable, and how the information will be used

Minutes of general meetings – registered societies

There is no statutory right for members or the public to inspect the minutes of general meetings. However, the society's auditors and the registration authorities (for example the FCA) have to right to inspect the whole register at a reasonable time, and see all documents relating to the society's affairs.

Minutes of board meetings - limited companies

Directors and the company's auditors have the right to inspect all board and committee minutes at any time. Members and creditors of the co-op or members of the public do not have an automatic right to inspect minutes of Board meetings.

Minutes of board meetings - registered societies

There is no statutory right for members or the public to inspect the minutes of general meetings. However, the society's auditors have a right to access the society's books, deeds, accounts and all other documents relating to its affairs at all times.⁵ In addition, if the FCA believes a society is not complying with its requirements under the Act, it can, among other things, require the society to provide information and documents relating to the society's affairs (including minutes).

There is no statutory right for members of the public to inspect the minutes of Board meetings. Regardless of the legal form the co-operative takes, a co-operative, unless it is required by other legislative or regulatory requirements is not required to publish Board minutes.

How should minutes be stored?

Traditionally minutes were kept in bound books or a ring binder which each page serially numbered and signed by the chair. Minutes may be kept electronically but care should be taken to guard against falsification or software used to produce the minutes from becoming corrupted. Electronic minutes must be able to be printed.

For companies, board minutes must be kept for at least 10 years after the date of the meeting and failure to do so is a criminal offence by the directors, but it is good practice to keep them for as long as the company exists. Societies must keep minutes for the lifetime of the society. It is suggested good practice that minutes, as a board responsibility, should be included as part of the board evaluation process.⁶

5 Section 87(6) Co-operative and Community Benefit Societies Act 2014

6 Guidance Note: Minute Taking, ICSA, 2016

Template example

(download an editable template at www.uk.coop/Minutes)

[CO-OPERATIVE'S LOGO]

[CO-OPERATIVE REGISTERED NAME AND NUMBER]

Meeting of the Board of Directors

Minutes of the Board of Directors meeting held at (X) on (X) at (X) (in person) (by telephone).

Present: (left the meeting at:(time)) (returned to the meeting at: (time)

Officers: (names)

		Action
1	Apologies for absence	
2	Quorum The required quorum for the Board meeting was reached and confirmed	
3	Declarations of interest	
4	Minutes of previous meeting	
5	Action point summary	
6	Matters arising	
7		
8		
9		
	Meeting Closed: [Time]	
	Time and date of next meeting (Time and date)	
	Signed (Chair)	

Template example

(download an editable template at www.uk.coop/Minutes)

[CO-OPERATIVE'S LOGO]

(NAME OF COMPANY) (Annual) General Meeting

Meeting of the Board of Directors

Minutes of AGM held on (X) at (X).

Number of members in attendance: (X)

		Action
1	Opening remarks from the Chair	
2	Taking of attendance The required quorum for the meeting was reached and confirmed	
3	Minutes of previous meeting	
4		
5		
6		
8		
9		
Meeting Closed: (Time)		
Time and date of next meeting: (Time & date)		
Signed (Chair)		

Essential reading

For more in-depth guides visit www.uk.coop/guides



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