How to Set Up a Social Centre

Radical Routes

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INTRODUCTION

This booklet has been compiled to promote the idea of opening and running libertarian social centres in the UK. By this we mean spaces that offer resources and services, space to base projects or to socialise - and which are run in a non-hierarchical, grassroots manner, with the aim of taking more control over these aspects of our lives, in the spirit of mutual aid, co-operation and do-it-yourself. In short, the creation of “Our Space”.

The focus is on co-operative social centres - those owned and controlled either by people who use them, people who work in them, or both. Libertarian social centre spaces have also been created using other avenues, such as squatting or renting buildings, and some of the things discussed in this booklet will apply to these as well. Contacts for further information are provided in the Appendices 1 and 2.

WHY WOULD YOU WANT TO OPEN A SOCIAL CENTRE?

We live in a society of atomised, alienated individuals, rendered powerless by the grind of work, consumption and ever present authority. Times when we come together in struggle and/or solidarity, organising ourselves and working together on an equal basis, are invaluable inspirations to those of us who dream of the day we can live free of oppression, government and exploitation.
Social centres are revolutionary in themselves. Legal social centres operate within the constraints of the current system, needing to work with and use elements of it, but nonetheless provide the opportunity for us to attempt non-hierarchical organising and experience working in collectives. They provide us with physical space in which we can meet, make plans, campaign and realise projects. They can also provide us with services and resources with which we can improve the quality of our lives – cheap good food, a bar, advice and skill sharing sessions, access to radical literature, food co-ops and more. Moreover they can act as a visible, accessible space from which we can share our ideas and ways of doing things with people in our communities.

Opening and running a social centre can open up endless possibilities, create a sense of community and help us wrest back control over parts of our lives – in a best case scenario.

Just to keep things in perspective however, in a worst case scenario it can bog us down with work, create frustration and disaffection, divert us from other action and generally fail.

If you are considering opening a social centre in your own town, ask yourself:

- Are the things mentioned above what we want to put effort into?
- Is our area in actual need of such a project?
- Will the place we live be able to support such a project?

Bear in mind that it will call for a lot of work and commitment from a very large number of people – you can’t get a centre up and running solely based on the efforts of your group of five anarchists.

- Are there a lot of people who will become involved?
- Are there a lot of groups in the area that would use the centre?
- Is there a history of groups and people working together on projects in your area?
- Have there been squatted social centres before and how did they work out?

And, in the end, will the benefits be worth it to you?
CHAPTER 1 : SETTING UP AND RUNNING A CO-OP (FORMAL REQUIREMENTS)

What is a co-operative?
A co-operative is a business owned and controlled by its members, who also decide collectively what happens to the profits. Outsiders cannot have a say in the running of it, and, as a limited company, no one member can be held liable for the co-operative’s assets or debts.

There is no clear legal definition of a co-operative in law, but these are the seven co-operative principles recognised by the international co-operative movement:

- Membership should be open and voluntary
- There should be equal control amongst members.
- Investment should not carry control, and should only receive a limited return in interest or dividends.
- Co-ops are autonomous self-help organisations, and any profits distributed among members should be done fairly.
- There should be educational and social objectives, not just commercial ones.
- Co-ops should co-operate with each other.
- Concern for the community should be integral to a Co-op’s work.

REGISTRATION

Different Co-operative structures
To buy and run a building, a registered legal structure of some sort will be needed. Here, we concentrate on social centres which use the legal structure of a co-operative with limited liability as a basis, registered as either an Industrial and Provident Society (IPS) or as a Company Limited by Guarantee (CLG). There are other options, of course; the London Action Resource Centre is simply a non-profit-making body, for example, and you could also investigate the benefits of being a Limited Liability Partnership (LLP).

Registering as either an IPS or a CLG establishes a solid legal status, i.e. the co-op can legally enter into contracts and obtain loans and mortgages, and the co-op will continue to exist even if the members change (unless it is dissolved by a resolution of the co-operative). Both structures also offer limited liability, i.e. the personal financial liability of individual members is limited to the amount of their share capital (usually £1).
Although an IPS is more expensive and complex to register than a CLG, it has important advantages for a social centre. Firstly, an IPS can raise money by easily publicly advertising a loanstock issue or by issuing withdrawable share capital, which may well be essential to you (see later); and the rules of an IPS aim to prevent any future demutualisation of the co-op, and thus prevent co-operatively-held assets passing to private individuals.

Registering as a co-op

An IPS is registered under the Industrial and Provident Societies Act 1965, by the Financial Services Authority (FSA - into which the Registry of Friendly Societies was incorporated in 2001). This can cost as little as £40, or up to £950 if you have many amendments to the Rules (bear in mind you can always change your Rules later!). Registering this way is only possible for certain types of business, which will probably include your centre – generally, this means co-operatives or not-for-profit companies run for the benefit of the members or of the community. Catalyst Collective, Co-operatives UK, and Co-op Development Bodies (CDBs) all offer help with registering a co-operative – see addresses in Appendix 1.

CLGs are registered with Companies House. You can order a registration start pack from them with full guidance on what to do. The fee is £20.

What you need to register

Note: The exact requirements for a IPS and a CLG may be different; this is a guide, not a definitive list. Check out our publication ‘How to Set Up a Workers Co-op’ for more information on the various legal structures. It’s available for free from the Radical Routes website at www.radicalroutes.org.uk.

Name: You will need a legally-acceptable name which is not already registered. However, if necessary, a small change to a name currently in use can make your choice acceptable. Agree a second name as an alternative in case the first is not accepted upon registration. There is a free name check service on the Companies House website.

Members: At least 3 for an IPS or 2 for a CLG, each with a share in the co-op (usually £1).

Rules: A set will need to be adopted that must meet certain requirements. It is easier, quicker, and cheaper to use one of the number of sets of ‘model rules’, available via Catalyst or other support bodies. Amendments can be made as necessary, though there is a significant charge and delay for this. If you find model rules don’t suit your purpose, find an organisation with similar aims and ask to look at theirs. You can adapt the rules after you have registered by calling a Special General Meeting (i.e. a
meeting called especially for this purpose) to change any rules.

**Official address:** This will be the registered address of the co-operative, and once registered a plaque or notice bearing the co-operative’s name must be displayed outside the building. If you change the address after registration you have to inform the registering body.

**Officers:** These are usually the Chair, the Secretary and the Treasurer. Appropriate model rules dictate the appointment of both a Secretary and a Treasurer, but those used by Radical Routes do not require the existence of a Chair. It is worth remembering that even though individual members have limited liability, officers of the co-op may be prosecuted if they are in breach of their legal duties or for fraud. The founding members will constitute the first Management Committee.

**Shares:** a Share Certificate should be issued to each member, and each issue be recorded in a Register of Shares. There is no longer a requirement to seal certificates with a company seal (but they’re quite cool and you can have them made for around £15). Each member must pay for their share - usually a nominal £1 - which is not repayable. A Register of Members must be kept, in the form of a bound book containing a record of the names of all members with dates of joining and leaving. The necessary stationery can be obtained from any legal stationers or you can do it yourself based on the documents of an existing co-operative.

After a successful registration you will receive documents, such as validated Rules and lots of other paper things, and your Registration number. This number, as well as the registered address, should be on all correspondence and forms issued.

**Once you have registered**

You are legally required to:

- Keep records of officers and members or directors, their addresses, and the date when they joined and/or left
- Keep proper accounts
- Submit an accounting return to the FSA or Companies House every year by the due date, accompanied by a set of accounts
- Give notice of any change of your directors/members, rules, name or registered office to the FSA / Companies House.

Although these are the most important requirements, there are other obligations set out in the relevant Acts; details can be obtained online or from the FSA or Companies House.
ORGANISING YOUR FINANCES

Bank Account
You will need a business banking account; look at a few different banks and compare the tariffs and pros and cons of each. Try the Co-op Bank or Unity Trust (a union and social economy banking provider) for your current account. You should probably also have a higher interest savings account, for which try the Ecology Building Society, or the Co-op Bank’s savings accounts.

The account should be held in the full name of the company with the Treasurer and at least two other members as signatories (more can be useful). At least two members should be required to sign any cheque written against the companies’ account. It is therefore helpful that signatories see each other regularly to facilitate payments. It is important that there always be a signing authority of two even when using telephone and online banking services. Experience tells us that no one individual should be entrusted with too much control over financial matters.

Accounts
It is essential that you keep proper records of all income and expenditure in a ledger or on appropriate computer software. Back-ups of software must be taken weekly and ideally kept off the premises for additional security. You must keep records of all transactions via your bank account(s) and petty cash. Your cheque stubs, paying in slips and bank statements are required for your records. You must file receipts and keep bills for anything you pay for and file copies of any invoices you produce e.g. room hire.

At the end of a financial year (any 12 month period, which you can choose – the official tax year runs April-March, but many businesses use January-December for their own financial year), year-end accounts need to be drawn up. You can employ an accountant to do this although it is not a legal requirement and is very expensive for a small social centre.

Year-end accounts usually consist of two documents:

- A summary of the year’s income and expenditure; and
- A balance sheet - a calculation of the current balance of all assets (equipment, building and what they are worth) and liabilities (loans and other money owed).

The year-end accounts must be agreed at an Annual General Meeting of the company and sent off to the FSA (for an IPS – within 7 months) or Companies House (for a CLG – within 9 months). They should accompany an Annual Return (on a form provided by the registering body). The relevant regulator will normally remind of your deadline as hefty fines are applicable for late submission. You must also submit your
accounts to the Inland Revenue (HMRC – Her Majesty’s Revenue & Customs) with a corporation tax return (a form) within 12 months of the year end date. As corporation tax itself (the cash) is payable 9 months after the year-end date, you will be liable for interest on payments after that period.

**Auditing**

Many companies have their year-end accounts externally audited (independently examined and verified). This is a lengthy and expensive process.

If you meet the following requirements you are not required to have an external audit:

- You have a turnover of not more than £6.5 million
- You have a balance sheet total of not more than £3.26 million
- Your members agree to apply an audit exemption at your AGM.

An Industrial & Provident Society can only apply an audit exemption if its rules allow it.

**VAT**

If your annual turnover reaches a certain threshold (this changes year to year – you can find out the threshold from your local Inland Revenue office – in 2009 it’s £67,000) you will need to register for VAT. Value Added Tax is (currently) a 15% ‘consumer’ tax on most goods that in theory, is paid by the ‘last consumer down the line’. So, a business buys some stuff to sell, and gets back the VAT it paid from the tax office; but then sells it to a customer and charges VAT on this, which the business will pay to the tax office. The individual can’t reclaim any VAT so has paid most of it; and the business has paid the VAT on the mark up they made on the product. There are very simple free videos you can get from the VAT office explaining all this!

Certain goods are exempt from VAT, such as books/printed materials, children’s clothes, postage, and most foods - but NOT prepared food sold in a café. This means if you are registered for VAT you can’t reclaim it on any of your stock purchases for your café, but you have to charge it on your café sales, which means your VAT bill will be bigger.
JOINING RADICAL ROUTES

Radical Routes Ltd. is, above all else, a ‘mutual aid’ organisation for co-ops that are working for social change, and you will find it a valuable support network. As well as Full Membership, we also encourage Associate Membership for groups which support Radical Routes but can’t meet the commitments required of Full Membership. Member co-ops are committed to changing society, in line with the following aims & principles:

“Here we are in twenty-first-century Britain, in a world not of our making but one that has been moulded over thousands of years of exploitation and injustice.

Our world is shaped by the forces of greed, capitalism and materialism, where maximum production and optimum profits are vigorously pursued, making life a misery for many and putting us and the environment at risk.

The system is ultimately controlled by the rich and powerful, the capitalists and bureaucrats, through the use of many mechanisms such as ownership of the economy (making people slaves to a job) and control of the media (creating a passive culture).

Radical Routes is a network of co-ops and individuals seeking to change all this.

We want to see a world based on equality and co-operation, where people give according to their ability and receive according to their needs, where work is fulfilling and useful and creativity is encouraged, where decision making is open to everyone with no hierarchies, where the environment is valued and respected in its own right rather than exploited.

We want to take control over all aspects of our lives. However, as we are not all in a position of control we are forced to compromise in order to exist. We are working towards taking control over our housing, education and work through setting up housing and worker co-ops, and co-operating as a network. Through gaining collective control over these areas we aim to reduce reliance on exploitative structures and build secure bases from which to challenge the system and encourage others to do so.”
Member Co-ops also make the following commitments to Radical Routes:

“All assistance, finance or otherwise is given on the condition of a commitment to the aims and principles of the network. Specifically:

- Labour and skills are collectivised to enable us to create a collective wealth which in turn enables us to achieve our long term aims. Therefore the emphasis of reward for our labours will lie in collective gains not personal income. To achieve this all co-op members agree to receive disposable incomes of no more than twice the income support level after housing costs.

- All co-op members must have a commitment of 15hrs/ week working for social change (exception for parents and special circumstances).

- Member co-ops are expected to do RR promotion and administration to keep the work/control collective, one half day per week for co-ops with 5+ members, one half day per fortnight for co-ops with less.

- Member co-ops are expected to pay a service charge towards RR running / admin costs.

- At least one representative from each co-op should be present at gatherings, where co-ops will make a report of their activities and decisions will be proposed for ratification at the following gathering. Radical Routes is committed to the sharing of tasks and responsibilities and to a process whereby this can be possible.”

We recognise that not all co-ops will want to fulfil these commitments, but if you do, and want to join, you should contact Radical Routes. New members are asked to attend three meetings in a row as prospective members, making service payments and doing some work commitment for the network.

Associate Members can’t block proposals or get loans, but can otherwise be as involved as they like and there are no commitments other than a quarterly service payment. If you are interested in getting involved, Radical Routes can send someone to visit you, talk about Radical Routes and answer any queries.
CHAPTER 2 : YOUR BUSINESS PLAN

FIRST THINGS FIRST : WHAT DO YOU WANT?

Where do you want your social space?
You might already have an idea of where you would like a social centre to be based. It could be in a geographical community, or more generally central, to draw in people from all over the area. A central location will be more costly, but this might nevertheless be feasible if it’s potentially busier and you could get more income.

What sort of building do you want?
You will have to map out what you will need from a building, eg. a shop space, housing, small and large rooms for meeting and office spaces, a bar, a kitchen, toilets, etc. With these general ideas, you can approach estate agents and ask them to inform you of any buildings they hear of that meet these criteria. Leave your contact details with any agents that deal with commercial properties. There might also be non-commercial properties that seem suitable, but you may have difficulties transforming them to commercial use. Hunt around for empty buildings with ‘For Sale’ or ‘All Enquiries’ signs (‘Under Offer’ means there is a potential buyer who has put in an offer for the building – this doesn’t mean it’s sold yet).
If there is no sign on the building, enquire at the local Land Registry about its status and owner. You never know, you could find a building with no registered owner that you can squat indefinitely!

Arrange to view different buildings with the estate agents. You will slowly get an idea of how much buildings cost, depending on their state and location. Bear in mind that if a building looks trashed, dirty and full of rubbish, but is structurally sound and needs minimal structural alteration, it will very probably be less costly in the long run than a clean-looking but structurally unstable or unsuitable building.

Once you know more or less what you want and how much it will cost, you can go about raising the money. To do this you will need a good business plan.
WRITING A BUSINESS PLAN WITH CASHFLOW PROJECTIONS

A business plan is your plan of who you are, what you want to do with a building and how you will do it, including how it will be financed. Without it you will not get a mortgage or attract investors. Make it comprehensive, considered and respectable enough to be presented to banks and investors! All new business proposals use standard business plans, of which you should be able to find some examples on the web, in libraries or in established social centres.

A business plan should contain the following information:

Part 1: Basic Proposal
(This should be kept general, go into details and figures later).

• A general outline of what you are planning, and why (e.g. providing socially useful services; co-operative enterprise; social and environmental justice; control over social space)

• The proposed premises, with a brief description of its current state. You can also include information about why you chose this property over other properties which you considered.

• Ownership and control - your structure and how assets will be owned.

• Marketing for products and services - who you will target (your ‘market’), and how you will get support from the community. State why you expect this to be successful.

• Breakdown of all services you will be offering.

Part 2: Operational Details

• Personnel – Give estimations of numbers of voluntary and paid workers required to run the show, and let them know how many you currently have.

• How the project & property are managed - include the structure of the Management Committee and its duties and a breakdown of all the job areas. Even if you plan to run things by open general meetings, the bank and other authorities will want to deal with a named, elected Management Committee and believe there are specific people in charge of things. It reassures them somehow.

• Legal Background – what needs to be sorted out legally e.g. planning permission, building control.

Part 3: Costings

• Breakdown of start-up costs - all renovation, legal fees, survey, solicitor and architect fees, initial stock purchases, costs in start up months i.e. bills and loan repayments for time after purchase and before opening, income coming in
(remember this is likely to be staggered as you are unlikely to be able to work to full capacity from the day you open), fittings and furniture.

- Items already owned.

**Part 4: Explanations of Financial Charts**

This should be a breakdown of all the categories in your cashflow forecast, both inflows and outflows (see below). It should include an explanation of the basis on which you are predicting these figures. For example:

- Rent from a flat should be based on a certain number of tenants on realistic rent for the area;
- Café sales figures might be based on opening a stated number of days a week, perhaps based on sales figures for a similar project somewhere else.

Also include any loans you are applying for, stating the interest rates and repayment period. Give a breakdown of all money you have at the moment, (in the bank and held in cash), and what you have already raised or been pledged through loanstock, grants, donations or private investment.

All the figures in your cashflow projection should be justified. For instance, a difference between café sales in year 1 and year 3 might be explained by an extension in opening times by an extra day a week at the start of year 3. Be realistic, a cashflow projection is also for your own benefit and you don’t want to run out of money half way through renovating!

**Part 5: Financial Requirements**

What are your total financial requirements to get this up and running? What are you asking to borrow?

**Part 6: Appendices**

- ‘Key people’ involved, and brief descriptions of what they can do, their area of responsibility and why they are competent to do it.
- A copy of your rules.
- Your bank, solicitor and accountant if you have one, with addresses.
- You can also attach a further description of the premises, or the plans, and any sources of financial advice received.
- Financial Charts.

**CASHFLOW PROJECTIONS**

The financial charts should consist of a cashflow projection, which is a monthly
and yearly breakdown of all expected income and expenditure, in categories. This can be set up in an Excel or OpenOffice worksheet – try and find someone with some accounting knowledge to help you do this. You may be able to base it on another Social Centre’s forecast, or ask for help from the Radical Routes finance group. Examples of how to set up a cashflow forecast can also be found widely on the internet. The monthly breakdown should run for the first two or three years (depending on the point when your incomings and outgoings settle down). Thereafter a yearly breakdown should continue until your longest loan (usually a mortgage) is paid off. You should include everything, but here are a list of the basics:

Start with your opening balance, money in bank, cash under the mattress etc.

Then include all your income: Loans (mortgage, RR loans, loanstock); Rent (tenants, a small business, office space); Sales (cafe, bar, shop); Room hire; Donations. Add all this up as Total Income. Don’t forget to stagger your income to reflect building work planned – for example, will the bar be ready after the housing space? Will you start to get any money in before you have spent it all on renovation?

Then include all your expenditure: “Voids” in rental income (ie. to account for time when rooms are empty, usually set at between 4 and 10% of rental income); Council Tax; Insurance; Loan repayments (note that for tax purposes only the interest is classified as expenditure); Legal Fees; Accountant; Stock; Ongoing repairs and maintenance; Specific Building Projects to get the building up to scratch (ideally broken down into areas); Utilities (Gas, Electric, Water, Phone, Business Rates). Add all this up as Total Expenditure.

Total Income minus Total Expenditure equals Surplus. Corporation tax will be based on this. Corporation tax for small companies is currently set at 21%, but is subject to change; check www.hmrc.gov.uk for up to date information.

Set some money aside for long term loan repayments. This doesn’t have to be the same every month if you do better in some months than others, but make sure that the total set aside by the end of the loan period will equal the amount of the loan, including interest payable.

So, [Starting Balance + Total Income] – [Total Expenditure + Corporation Tax + Money Set Aside] = End Balance. This will be your starting balance for next year/month.

You should also include a current Balance Sheet. This is a snapshot of all your current assets (everything you own) and liabilities (everything you owe). If in doubt, ask an accountant!
CHAPTER 3 : RAISING THE MONEY

Establishing a social centre requires lots of money, the vast majority of which you will probably need to borrow, and pay back over time. The biggest single loan is likely to be a mortgage.

MORTGAGES

A mortgage is a sum lent to your business by a bank toward the purchase of a building. It is usually a certain percentage of the valuation, typically 70% (note that the valuation may be less than the actual purchase price). The money to pay for the remainder of the purchase price, the legal fees, the building works, stamp duty etc. will need to be raised by other means.

A mortgage is repaid monthly with interest, usually over 20-30 years – the shorter the length of the mortgage, the higher your monthly repayments, but the lower the overall repayment. The interest is usually based on the changing Bank of England ‘base rate’ - this is known as a “tracker mortgage”. The lower the interest rate, the lower the monthly repayments. Tracker mortgage repayments will change over time; interest rates have been fairly stable for a long period, but are starting to fluctuate wildly (almost 0% at the time this was written, but with the potential to head to around 14%). An alternative is a fixed rate mortgage, which may currently have a greater interest rate than a tracker mortgage, but gives long term stability which helps financial planning. It is worth remembering, however, that a lower interest rate at the start of your mortgage is more important than at the end, as at the start your payments are mainly comprised of interest. After the first 10 years or so you will find, to your annoyance, that despite paying perhaps £1000 a month to the bank you will still owe them most of what you originally borrowed.

A mortgage is ‘secured’ on your building - if everything goes wrong and you need to sell the building, you will need to pay the mortgage-lender from what you get. This is called a charge, and you may have more than one on the building, with your main lender having the first charge.

How to get a mortgage
A bank will give you a mortgage if they are satisfied with your business plan, think you are competent, and your cashflow projections realistically show how you will afford the monthly repayments. Do not apply to just one institution - keep your options open and apply to as many as you can. However, there are a limited number of institutions that will lend to this kind of project. Triodos Bank lends exclusively to “projects with clear social and environmental objectives” according to their publicity, and many co-operatives hold mortgages with them. Other places to try are the
Ecology Building Society, and smaller, local building societies.

Raise a mortgage and get a survey done at the same time (see Chapter 4). The mortgage arrangement fee will be about 1% of the cost of the mortgage.

OTHER “MORTGAGE TYPE” LOANS

To cover the rest of the cost you will need to get a loan from another source. This will be secured as a ‘second charge’ on the property – in other words, the mortgage lender gets whatever they’re owed from the sale of the property and the top-up lender gets whatever’s left over. If your mortgage is with a building society, you could approach Triodos for the second loan.

Radical Routes, a network of co-operatives, makes loans to its members. This can be in the region of 20% of the value of the property, and is repaid monthly in a similar manner to a bank mortgage. Radical Routes can also help you write your business plan and loan application, and other lenders can look favourably on a project which have had a Radical Routes loan agreed. More information on Radical Routes can be found on the website, www.radicalroutes.org.uk.

The Industrial Common Ownership Fund (also known as Co-op & Community Finance) manages Radical Routes loans. It also lends money itself to co-operative projects, usually over 10 years. Interest rates are high and they will also charge a 2-5% fee on a loan, but they will lend between £5,000 and £50,000. They only provide ‘top up loans’, i.e. not more than 50 percent of any other money borrowed.

Other projects have borrowed from the brewery supplying their beer; the 1in12 Club received a loan from Samuel Smith’s Brewery, for instance.

LOANSTOCK

What is Loanstock?
Loanstock is a direct investment in the co-operative by individuals or organisations, over a fixed term (often 5 years), at an interest rate of their choice (i.e. from 0% for those who can afford this and want to support the project, up to whatever you think you can pay off). For many co-operatives loanstock is the only means of raising the deposit on a property.

If you are registered as an Industrial and Provident Society, you will be able to issue loanstock, and to advertise this to the public without regulation. If you are not an IPS, individuals and organisations will still be able to lend you money, but this must be a private agreement. Alternatively, as a non-IPS you can advertise a loanstock issue if
you have at least £50,000 to meet the Financial Advertising Regulations criteria.

Loans can be made by institutions as well as individuals and if an institution is looking for an ethical financial investment it is possible that you could offer them a rate of interest as high as any they could find elsewhere. It would be worth spending time researching this area, as some of the more socially progressive charities could be sympathetic to investing money in a co-operative social project.

**When can we issue loanstock?**

Issues of loanstock can only begin once you are registered, but loans can be accepted before registration and converted to loanstock afterwards. In such instances receipts must be given until loanstock certificates can be issued. Clear and detailed records of all loanstock transactions must be scrupulously kept. It’s also a good idea to give potential lenders a form with which they promise, on six weeks notice, to invest an amount when you most need it. This system, along with a generally well subscribed loanstock scheme, are useful in convincing other people and organisations that you already have a certain level of support and are not undertaking the venture entirely on your own. Until the time comes to buy a property, money from loanstock should be allowed to accumulate in a deposit account, where the interest on the total amount helps to cover the interest which has accrued on each individual loan.

Loanstock must be issued at set times and for set periods, (say once a year, for four months), and for set reasons, like the purchase or major repairs. Open-ended periods of issue are forbidden. Start by asking around and getting promises of loanstock from people. Then officially open a loanstock issue at any co-operative meeting, record this in the minutes, draw up application forms (examples available from Catalyst), and start getting money off people.

If an issue ends but more money is still needed, you can start a new issue. This is also a possibility once the initial loanstock period has ended – for instance, after five years, people might want to invest again or repaid money might be able to be replaced. Beware of continually issuing loanstock though – it will need repaying some time!

**Loanstock certificates**

When the money is received you need to issue loanstock certificates to lenders as a receipt for their money. The certificate, impressed with the seal of the co-operative, is proof of the loan and stipulates the terms and conditions (chiefly the agreed percentage of interest to be paid by the co-operative and the duration of the loan). The certificate is a legal document which guarantees the conditions of the loan. Each certificate specifies the rate of interest agreed on that particular loan. Keep copies
of the loanstock certificates you issue and record the details in a Loanstock Register. Draft model loanstock documents and advice on running a loanstock scheme are available from Catalyst.

**Loanstock in your accounts:**
Remember that money loaned to the co-operative must also appear in the co-operative’s accounts. Interest is added each year in the form of further loanstock until the loan matures after the set period, usually five or ten years. You must allow for the complete repayment of the original loan plus annual interest in your budgeting. When you have used the money to buy a property the loan and interest are repaid through money put aside from your income. You should keep a comprehensive record of all loanstock received with dates, addresses, the amount and interest rates. Interest is usually added on each anniversary of the investment; for example, after the first year, the amount of loanstock from £100 at 1% interest increases to £101.

**Interest on the loanstock**
Your co-operative is able to offer interest rates competitive with commercial banks and can organise its own terms of repayment. Interest is often set at 0% to 5% per annum, leaving investors free to choose the rate they prefer within these parameters. You can offer a different range of rates if you wish - your rules will tell you the maximum rate of interest you can offer. Alternatively, interest can be linked to an index (such as the rate of inflation, the Retail Price Index or the Property Price Index) but this has the disadvantage of making financial forecasting for your co-op harder, and you never know quite how much interest you will need to pay over the period of the loan. Interest rates on loanstock may be varied annually; such alterations must be agreed annually at a General Meeting of the co-operative.

Lenders are liable to pay tax on interest. The Inland Revenue may ask for a list of your investors with details of the interest they receive, and you must send the Inland Revenue a list of all investors receiving more than £250 interest in any one year. If your accounts are externally audited the auditor will deal with this as a matter of course (see Chapter 1).

**Repayment of loanstock**
Loanstock should be repaid in full, with the interest, at the end of the agreed period; it can be repaid earlier on request if affordable. Repayment can be made on a fixed date, or according to a fixed schedule (such as three equal instalments on agreed dates). It is better to break up and spread the repayment of large single loans rather than be obliged to have to pay back umpteen thousand pounds in one go. In such circumstances, break up the loanstock with different repayment dates for different parts. In general, lots of small loans repayable over a wide spread of dates are
preferable to a concentration of redemptions.

**WITHDRAWABLE SHARE CAPITAL**

You may also choose rules (like the Somerset Multistakeholder rules) which allow you to issue Withdrawable Share Capital, in other words, to sell shares to the public. This can also be publicly advertised, but investors will become ‘non-user members’ who have limited voting rights in the co-op. You should get specialist advice from a Community Development Body (like Somerset Co-op Services, who developed the rules) on how to do this.

**OTHER WAYS OF RAISING MONEY**

These could include:
- Collecting subs from members at each meeting.
- Asking friends and relatives for donations.
- Holding jumble sales and car boot sales.
- Organising sponsored events in aid of your project.
- Applying to charities: You may qualify for help from charities or other grant-making bodies. Disability among your members may also entitle you to money from appropriate charities or social services. Get a copy of A Guide to the Major Trusts (published by the Directory of Social Change), or ask for it at your local library.
- Applying for Regeneration Money: Funds have been allocated for the regeneration of some run-down urban areas. Contact your local authority in the first instance. You may be able to raise money this way and preserve your independence. Other grants may also be available.
- Follow the traditional method of making money by working a lot and either donating your hard-earned wages or investing them as loanstock.
CHAPTER 4 : BUYING A BUILDING

What you will need to buy a building:

- To be registered as a co-operative or other business.
- A business plan with cashflow projections.
- A bank account
- A potential mortgage and other possible loans, i.e. you have spoken to some lenders and they have responded positively.
- Loanstock/own capital to make up the rest of the money
- A solicitor. You could either use a solicitor who specialises in co-op law (e.g. Co-operative Legal Services), or a local solicitor you have heard is good, or find one off the internet. You want a solicitor that specialises in conveyancing or building law, not criminal law. It is probably a good idea to get a few quotes and go for the best.

If there’s a building you can really imagine would be suitable, make sure you decide amongst yourselves who will liaise with whom (the bank/other lenders, owners, solicitor, architect, planning department, builders, etc.) and then start the process moving as follows.

Basic steps to buying a building:

- Create a working cashflow model. The bank will tell you what your monthly repayments will be if you borrow a certain amount, so plug these figures into your cashflow projection (see Chapter 2) to see if you can afford it. You can also get these figures from many mortgage calculators available on the web. Work out the price range of building you can afford.
- Get an agreement in principle for a mortgage.
- Look for other sources of mortgage-type loans (see Chapter 3)
- Raise Loanstock to cover the gap of the mortgage.
- Enquire if there are plans available for the building that you can go through with an architect, a building project manager, or someone else with some experience.
- Check if you will need to change planning permission (For example, from Retail A1 to D1 for a community centre, or to A4 for drinking establishment). This will depend on your council, so ask your local planning office. You can look up the planning concepts for the area in your local library – this will indicate whether your plans could be ‘desired’ or not. Ring the local planning department, talk to them about your planned uses, and get their advice. They should be able to tell you whether or not they are minded to accept your application when
you submit it. If you need to change planning permission, get the forms, and submit your application. You will need to talk to an architect and use the plans for this. A planning application may take a long time to come through, but you shouldn’t risk completing the purchase until you have the permission.

- Put in an offer to the owners. This can be at the asking price, or a bit lower to start with. It depends on the owners (do you know them, will you offend them, do you think you can get away with it, are there reasons the building should be valued lower?). They will then reply, either accepting or asking for more. Negotiate - it depends on the market, the state of the building and how much the owners want to get rid of it. However, be aware of the maximum offer you can afford and never go above it, no matter how much you want the building – that would just be storing up a series of crises for yourselves.

- If the owners are responding positively, and you think the purchase could potentially go ahead, commission a building survey and valuation. A building survey involves a visit by a surveyor, who will produce a report explaining what improvements they think need to be done. A building survey will cost between £500 and £1500, depending on the area of the country (Brighton will cost more than Macclesfield) and the size of the building, and will include a valuation. A Valuation is an estimate of how much the surveyor thinks the building is currently worth. You can also hire a surveyor to undertake a valuation alone, with no survey – this will be cheaper, typically between £200 and £500. Mortgage lenders will require at least a valuation, as they will lend you a certain percentage (usually 70%) of the property’s value, not of what you actually will pay! However, a full survey is a good idea, especially if you intend building work to change the use of the building, or to get it up to standards for opening to the public (see Chapter 5).

- With someone who has some idea of building works (a very useful person to have on board!), use the surveyor’s report and the architect’s plans (and talk to the architect too, if you can afford it – they are expensive) to draw up plans for how you want the space to be and for the building works. Start getting quotes for the works needed (e.g. Replace all front windows, with wooden frames and sealed units – quote from joiners and glaziers; Rewire throughout – quote from electricians; Painting and decorating – done by ourselves – estimate of costs of materials). It will very useful to draw up a works schedule, with a list of jobs in order, listing how long each job will take. This will help you estimate how long it will be after you get the building before you open to the public, which you need when planning cash flow through the first year.

- Submit the reports along with your business plan to the bank (and any other organisations you want to borrow money from) and arrange to meet them.
Legal stuff

The easiest option is to employ a solicitor; however they are not cheap, and they like to create complexity. There are some jobs that you can do yourself, and some for which you really do need a solicitor. House buying will cost a co-op more in solicitor’s fees than an individual would have to pay. Fees can be negotiated, especially if you do some of your own work, but expect to pay around £500. Most of the legal work involves conveyancing, which in law generally refers to the transfer of title of property from one person to another.

The process starts by ensuring that you obtain a good and marketable ‘title’ to the land. This means proving that the seller is the owner, has the right to sell the property, and that there is no factor which would impede a mortgage or re-sale. This phase you can do yourself if you wish; information can be found on the internet or books can be purchased on the subject. A good starting point is www.diyconveyance.co.uk.

Then, the seller’s solicitors draw up the contract and the buyer’s solicitors examine it. It is possible to do this yourselves if you are confident with legal jargon, but some solicitors will be unhappy about dealing with non-legally registered professionals, or even use the fact that you’re not a solicitor to the seller’s advantage. Once you and/or your solicitor are satisfied that everything is in order, the contracts can be exchanged. You sign a copy of the contract which is passed to the seller, and the seller signs a copy of the same contract, which you receive. At this point you hand over a non-refundable deposit as security to the seller in case the contract is not carried out. This is normally 10% per cent of the purchase price, but it is usually negotiable. Once contracts have been exchanged (normally by the two solicitors) both parties are legally bound to follow through with the transaction. You can no longer change your mind - if you pull out it is likely that you will lose your deposit, and you could be sued for breach of contract.

Next, you or your solicitor prepares the draft transfer document (if the land is not registered it will require a special kind of transfer or ‘conveyance’). This document transfers the title of the property from the seller to the buyer. Once both parties have agreed on the draft, it is signed by the buyer and the seller.
All of the above you could do yourselves despite the complexity involved; however, it will be very difficult to persuade a mortgage company to do the last stage, generally known as completion, without a solicitor. The completion date may be anything from the same day as the exchange of contracts to several months later, depending on the circumstances of the sale. The mortgage company will send the remainder of the purchase funds ready for transfer at the request of the solicitor. This is usually carried out by some electronic means (for which you will of course be charged) into the solicitors bank account (this is a reason why they are reluctant to do it without a solicitor). The solicitors then arrange the transfer of title and keys at the same time as all monies.

Even after completion, there are still a few things to be done. Your solicitor will need to check the title deeds once more and arrange for them to be registered in your name. In the case of a leasehold property, they need to make sure that your name is on the lease. They also need to get the transfer stamped to officially approve the sale and despatch the title deeds to the lender. At this stage you will have to pay Stamp Duty if your building costs more than £175,000. Stamp Duty is a sliding scale; to find up to date Stamp Duty figures check www.direct.gov.uk/stampduty.
CHAPTER 5 : RENOVATION AND MAINTENANCE

It is almost certain that your building will need some work on it before you can open as a social centre. You are likely to be changing the use of the building and will want to tailor it to your own requirements; also, the building may need renovations to make it safe and usable (eg. an electrical re-wire), or to make it more energy efficient (eg. insulation), or to make it more accessible (eg. wheelchair ramps). Depending on the amount of work to be done, this process can seem very daunting, but it is also an exciting time, as you begin to create your space. (It may be important to remind yourself of this during workdays shovelling pigeon dung into sacks, or whatever!)

Designing Your Space
First of all, decide what your minimum requirements are. Time and budget will constrain possibilities, so be clear as a group what is essential and what a luxury, and prioritise accordingly. Your surveyor’s report will be a good starting point. Some improvements can be added later down the line, whilst some must be done at the start and identifying these is important. For example, solar panels can easily be retro-fitted to just about any building with minimal disruption, whilst insulating walls or building more rooms is very disruptive and is best done at the outset. It will also be important to consider flexibility – is your desired layout going to work in the long run for all the activities your centre is likely to host? It’s worth spending a bit more time and money at the outset to optimise your design, so you don’t spend every day you work in the centre cursing your decision not to enlarge the kitchen, for instance. Allow time to research and discuss possibilities, talk to friendly builders for informal advice and draw up your specification.

Unless you are very confident, consider employing an architect to help you with your specification - especially if you will be employing builders. Although this will increase costs, finding a good architect will allow you to explore options thoroughly and draw up professional plans which will meet all regulations and which tradespeople will be able to follow. An architect should also be able to help you draw up a work schedule, to make sure things get done in the right order. You’ll probably enjoy working with a down-to-earth, ecologically minded type most, so shop around - some architects will do your head in!

Regulations
The Building Control department of your local council must be supplied with plans for your building and a schedule of works for them to approve. Even if your renovations are fairly minor, Building Control approval may be required. A fee will be charged, but this will be small relative to the costs of the work.
You will also have to consider fire regulations – see Chapter 6. These will probably demand various improvements to the building such as installation of fire doors, fire-resistant plasterboarding / insulation etc. In addition, all your fabrics in public areas (chair covers, curtains etc) may need to be fireproofed, which can be done with a spray-applied retardant chemical. Seek advice, and be prepared to spend money - there are no short-cuts in terms of getting fire safety right.

Getting the Work Done
You will probably need to employ builders unless works are very minor. Professionals will dramatically reduce the time that your property is a building site, and hopefully you will know that it is being done properly. On the other hand, doing it yourselves will save money, allow involvement in the process - fostering a sense of collective ownership, and will generate team spirit. On good days, it will also be fun!

Deciding which jobs to contract out and which to do yourselves is not always easy. As a general guide, employ builders for: very large jobs (eg. extensions); anything structural or otherwise requiring Building Control approval (eg. removing a wall); technical trades (eg. electrics); large jobs that will delay other jobs until done (eg. laying a floor slab); or jobs that you want to be sure are done properly (eg. roofing). However, if you are lucky enough to have some tradespeople involved in your project, you will be able to tackle a wider range of jobs “in-house”.

The best way to find a good builder is by reputation, so ask around and look for recommendations. It is common practice to get quotes from a number of builders before contracting one, and a good tradesman should be happy to provide a detailed written quote. When you have chosen your builder, make sure you have everything agreed in writing before anything starts. During the actual work, it’s good practice to pop in every few days or so to ask how things are going, check that you are satisfied with the quality of work so far and make sure the builder can easily contact you at short notice if needed.

Doing work yourselves will require planning. You will need to make sure you have all the tools and materials for the job; buying a basic set of tools will be essential, as will having somewhere secure and well-organised to store them. You will also need work-gloves, goggles, dust masks etc. Any job will proceed more smoothly if co-ordinated by at least one person with some skills and experience, who has previously given some thought to what is required. Volunteering on a building project together should be an inclusive experience, so make sure everyone is involved and given a chance to develop their skills. Jobs should ideally be rotated so everyone gets a chance to try the more interesting stuff, although some tasks may require prior experience and know-how. Ensure high morale with music, copious tea and biscuits and perhaps provide a communal lunch.
Maintenance

Building work does not stop when the building has opened! This is unfortunately easily neglected – however, if you want your building to last, you will need to be constantly keeping an eye out for things that need repairs, and have a few people with some skills around to be able to tackle these jobs. The tools, experience and contacts developed during initial renovation work should stand you in good stead now. Make sure you allocate a maintenance budget in your financial planning; this should include both a monthly, ongoing budget, intended to be spent regularly on ongoing repairs, and a larger reserve provision for “extraordinary” maintenance, to be kept for unscheduled major jobs (such as re-tiling the whole roof).

A good starting point for planning ongoing maintenance is a work log, which should be organised in terms of priority - eliminating damp or preserving security should be higher up the list than painting the walls, for instance. It is very helpful if the work log breaks down each job into its constituent tasks, and lists the tools and skills required. A thorough walk around the building with some clued-up people will help spot the jobs that need doing; it would be good to have a blank page at the end of the finished log so that problems that are spotted later on can be added.

Another list worth compiling is people in your community with useful skills, as well as contact numbers for good tradespeople. Having a handy list of the best / cheapest places to buy materials (timber, glazed units, plumbing bits, etc) in the local area will also be helpful.

As with the original renovation, deciding when to employ professionals and when to do-it-yourself will be an important judgement. When you take the volunteer option, an organised workday (see above) will make maintenance much less onerous - the buzz of activity of a good workday can make nearly any boring maintenance task enjoyable!
CHAPTER 6: 
RUNNING A PUBLIC SPACE – THE REGULATIONS

Policies
Social Centres with vulnerable centre users have an enhanced duty of care and should have a child/vulnerable adult protection policy in place. It is also worth thinking about an Equal Opportunities policy. For examples of all of these, see Appendices 3-5.

Fire Regulations
As a public space, your building will need to be considered safe in regards to fire. You will almost certainly need:

- Clear, signposted exit routes with appropriate push-bar escape latches;
- A fire alarm system;
- Certified fire extinguishers;
- A nominated person(s) to deal with all this and do regular tests etc.

Contact your local Fire Authority to find out what they would recommend for your building, talk to your architect if you are using one, and find a Fire Contractor to install an alarm system (for lots of money), with whom you will also need to contract to maintain the system. You will also need to arrange professional servicing of fire extinguishers at least annually.

First Aid
You should have a first aid box with whatever you assess as being appropriate for your centre. You should think about what might be needed if your volunteers or visitors have an accident or become ill. Maybe you have a kitchen where volunteers regularly cook, or large groups hold events where accidents may occur. It may not be possible for you to nominate a first aider, but if you have one it would be a good idea to let regular volunteers know who they are.
You should at least have someone who will regularly check and refill the first aid box (which should be green with a white cross). First aid boxes should be in an accessible place, with display notices saying where they are. Although not a legal requirement (unless you have employees) it is good practice to provide a book to record incidents.

You should check any licences you have (e.g. liquor or performance licences) and your insurance policy for any particular requirements relating to accidents and first aid. For more guidance and information see: www.hse.gov.uk/firstaid/faqs.htm

**Criminal Records Bureau Checks**

Whether you need to ask volunteers for a CRB will depend on what activities take place at your centre. Under the common law you owe a duty of care not to cause injury to anyone who visits or uses your centre. Certain specific laws for the protection of children and vulnerable adults may also mean you will need CRB checks for volunteers. Not all social centres will need to get a CRB check for their volunteers. It depends entirely on two factors:

- Will the volunteer be working with people who are legally defined as “vulnerable”?
- What is the nature of this contact and will it be a regular part of the volunteer’s role?

“Vulnerable persons” are people aged under 18, and vulnerable adults. A vulnerable adult is anyone aged 18 or over who has one of the following:

- A learning or physical disability;
- A physical or mental illness, chronic or otherwise, including addiction to alcohol or drugs;
- A reduction in physical or mental capacity.

You are only allowed to request a CRB check for a volunteer who comes into regular contact with vulnerable people. The contact must be regular or part of the volunteer’s “normal duties”, so occasional or one-off contact between a volunteer and your vulnerable visitors / centre users is not likely to justify a CRB check.

There are two types of checks - standard and enhanced. Standard checks apply to volunteers where part of their volunteering role could involve regular contact with vulnerable people. Standard disclosures are free for volunteers. Enhanced checks are the highest level and are necessary where that work involves regularly caring for training, supervising or being in sole charge of children or vulnerable adults. It is unlikely that you would require this level of check, but it depends on what goes on at your centre. There is a fee for enhanced checks.
Data Protection Act

The Data Protection Act 1998 (DPA) says if you keep a record in writing or electronically of personal information (e.g. a membership list, volunteer information such as CRB checks, names in notes of regular meetings, or room bookings) then you are likely to be a “data controller”. The bad news is that unless you’re exempt, the DPA requires all data controllers who “process personal information” to register with the Information Commissioners Office.

The good news is that most social centres will be exempt from notification but will still have to comply with the DPA and keep personal information safe. It is recommended that you meet and formally record that your social centre is exempt from notification. Even if you are exempt you still have to comply with the DPA, and ideally you should have someone who is nominated to be the data controller. You can get lots of advice from the Information Commissioner’s Office website.
CHAPTER 7: RUNNING A SOCIAL CENTRE

This section will deal with the various aspects of running a libertarian social centre. Obviously, it’s a good idea to divide up the work between as many people as possible, identifying clear areas of responsibility while making involvement as accessible as possible and not establishing hierarchies.

MEETINGS

General Meetings
As a co-operative, everyone involved should be answerable to the General Meeting of all members, in which any important decisions should be discussed and made. A General Meeting can be set at a certain regular time, for example monthly, and should be advertised to all members.

If there are collectives running businesses or projects within the centre, these should be answerable to these meetings. Ideally a representative or a report should be sent by each to the general meetings.

It is at these meetings that all major decisions are made and directions are set. It is a chance for everyone to get together and discuss the overall running and issues of the centre. These meetings may need to deal with the day to day bureaucracies and paperwork of running the centre unless you have some sort of admin collective. Co-ordination of room bookings can also be done at these meetings.

A minute taker should be appointed at each meeting and minutes kept of all attendants and every decision made (though bear in mind that these minutes might need to be shown to authorities). It is a good idea to collate minutes of past meetings and have them at hand.

Having a board on which agendas and proposals to the General Meeting can be hung up and read in advance is good practice and gives people a chance to make the effort to come if they are concerned about the issues raised. It’s also a good idea to have good facilitation to ensure the items on the agenda are covered and discussions don’t get out of hand or get dominated by a few outspoken individuals. Facilitation workshops happen at Radical Routes gatherings and elsewhere.

It is a good idea to create a ‘Secondary Rules’ or a ‘Policy document’ in which all relevant decisions from meetings get noted. This is particularly useful as experienced people leave the co-op and new people join.
Special and Annual General Meetings
Special General meetings need to be called for legal matters such as changes to the rules.

An Annual General Meeting (AGM) must be held once a year, within six months of the end of the financial year, where you review your accounts and vote in a new committee. You will need to make sure enough members attend for this meeting to be ‘quorate’ (valid). The procedures for these should be contained in your Rules. Minutes from all your general, special general and annual general meetings should be kept. This is a requirement of maintaining your status as an Industrial and Provident Society or as a Company Ltd by Guarantee.

ORGANISING THE WORK

For a social centre to run well, there needs to be, right from the start, enough people interested in taking on different aspects of running the centre. In addition, a steady stream of new volunteers (including ones prepared to take on more responsibility) must come through all the time.

Volunteering is not just about working and getting stuff done, but also about creating collective responsibility and equality within an organisation. By encouraging users to volunteer and creating a work environment not based on pressure, discipline, competition and authority, you might end up with occasional chaos and inefficiency (though probably no more so than many conventional businesses!), but you will also have a social centre that is an accessible, living example of what we can accomplish without leaders.

There are steps you can take to make volunteering as accessible as possible – have volunteering information on membership applications and general leaflets, have notices around the place, have a rota system where people can just add themselves as ‘new’, encourage volunteers to be nice to anyone interested in volunteering (it’s obvious, but doesn’t always happen...!), hold ‘volunteer open days’ with information on volunteering and talks about the structure of the centre and advertise the general meetings well. With a sense of involvement, hopefully a sense of responsibility will develop. It’s also worth considering perks for volunteers to keep morale high – free internet usage, free meals for cafe volunteers, free pints for bar volunteers, christmas parties etc.

With the right encouragement, a social centre can become a space in which people feel they can take the initiative, find the support and space for projects they’ve been meaning to realise for ages and felt like they couldn’t, or where they feel they can give something back.
Paid workers:
There are advantages and disadvantages to having paid workers. Legally, it means you need employers’ liability insurance (volunteers are covered by the public liability insurance you will need anyway). You may also need to comply with the Pay As You Earn tax system and you will have to record hours, workers’ details and so forth. The best way to find out about this is just talk to your local Inland Revenue (HMRC) office – they run free courses explaining these things all the time.

Most social centres will depend on a lot of the work being done voluntarily, even if there are some paid workers – this could lead to hierarchies developing, resentment or some sort of split between volunteers and workers. However, someone being paid to do the jobs that won’t get done otherwise might not be a bad thing. Therefore, you will need to discuss the implications (both practical and ideological) if you are considering paying workers. You could consider paying people for short term positions only to avoid hierarchies building up.

Collectives
Most social centres tend to be run by a series of collectives: finance, admin, bar, cafe, garden, library etc. These collectives should have separate meetings, but should be answerable to general meetings.

Cleaning
Regular cleaning is a vital part of running a centre that is meant to be accessible and inviting – hopefully there are some good souls involved who are up for this and can commit regularly. It is important to keep your cleaning cupboard well stocked with supplies. Anything used to clean in the toilet area must only be used in that area, labelled as such and kept separate from other cleaning materials.

There are health and hygiene standards that need to be observed in food preparation areas. It is usual to expect user groups to clean up after themselves so the centre can be used by the next group. Have lists of cleaning jobs for each user group for them to refer to. It is ideal to have people coming in regularly (at least weekly) to deep clean the centre.

Kids activities
Unless you plan to run activities for children daily and for longer than 2 hours per session, you will not need to register with OFSTED or any similar body. It is necessary to put some thought into safety issues (including the spaces used and adjacent areas), vetting volunteers working with children and ensuring no-one is ever left entirely alone with children. It’s also worth thinking about what degree of parent involvement you would like to see, what your aims are in working with children and what role any activity in the centre will play in their lives.
Room bookings
What do you want your building used for? Guidelines should be drawn up as some uses may be controversial (e.g. commercial/profiting individuals, some political or religious groups). You need to establish a way to co-ordinate room bookings. Examples include a bookings calendar, proposals to the general meeting and an events/bookings co-ordinating collective. You will also want to discuss whether anyone should pay to use the building and at what rates. You may want a sliding scale depending on what the group is doing and how much money they have.

Providing computers as a resource
Many social centres provide publicly-accessible computers with internet access for their community. This can be done for free or for donations as you see fit. It is a great resource but here are some issues to consider:

• Internet Service Provider - Many ISP contracts preclude users from sharing their access publicly. While this is extremely unlikely to become an issue it should be borne in mind. Reselling (i.e. charging for internet use) is a definite no-no!

• Computers - people will often donate old PCs to social centres which will make perfectly good internet terminals, especially if using Linux. Be wary of accepting all computer donations, however, as it now costs money to dispose of waste electrical and electronic equipment (WEEE).

• Maintenance - It is advisable to have a group of people who oversee the computer network - over-reliance on one individual has obvious pitfalls when that person is away and the network is down!

• Linux – This operating system is free in both senses of the word - “no cost” and “freedom”. The advances in Linux over the last few years mean that it now provides a user-friendly alternative to proprietary software for almost all applications. It is helpful to have someone with some Linux experience to help set up the network but once it is configured it will require little maintenance. It is ideal for public internet machines given the lack of issues with malware (viruses, etc) and its ability to run on older (donated) machines.

• Windows – This, on the other hand, is the McDonalds of the computer world, and you may prefer to avoid it. If you do use it you must make sure you have a licence for all proprietary software, or you are breaking copyright law and could be liable for prosecution. Windows is prone to infection from viruses, so needs regular maintenance and regularly-updated virus protection to make sure your machines are clear.

• Wireless - a wireless access point will enable you to share your internet connection more widely including to your neighbours! Wireless networks should be encrypted, although this security is not foolproof.
CHAPTER 8 : ORGANISING YOUR FINANCES

Making money:
There are several ways that your social centre can make money:

• Businesses: running a cafe, a book shop, a wholefood shop etc.
• Being a landlord: renting out parts of your space as housing, to ethical businesses, or as meeting spaces to local groups.
• Donations
• Grants: apply for grants for specific projects
• Fundraisers: put on benefit events for yourselves, and make benefit CDs or similar.

Finance Team
A strong finance team is an essential component of a successful social centre. Ideally this would include people with a financial background, although this is not essential – you will learn! The finance team must consist of more than one person and members must be reliable and committed, enjoy getting stuck in with numbers and willing to learn about financial rules and regulations. It is often helpful to divide the work of the team into sections such as day-to-day accounting, year-end accounts, financial planning and loanstock – with different members of the team taking oversight of different areas.

Day-to-day accounting
You need to keep records of all income and expenditure for your accounts. This can be done in a ledger, kept on computer or both. Some financial software can greatly ease this task, as it enables you to schedule all regular income and expenditure (including loan repayments), and provides you with easy access to a variety of useful reports. GNU Cash is free open-source bookkeeping software available for Linux and Windows.

You will also need a filing system for all invoices and receipts received, as well as for cheque stubs. One method is to have two folders for each year – one for Bank accounts and one for the Cash account. The Cash account folder is basically a chronological list of all money in and out of the safe, plus attached receipts and invoices. In this folder, a separate record is also kept of all regular bills coming in, for what period and when they were paid (because it’s easy to lose track, and you can end up paying the same bill twice because a reminder was sent just after someone else paid it, for instance). The bank account folder does the same for all movements on the account, and anything paid by cheque is filed here, as well as the bank statements. When bank statements are received, they are ‘reconciled with’ (compared and used to update) the bookkeeping records.
It is essential to maintain an ongoing 12 month cashflow forecast, so that you can foresee problems in advance and come up with solutions. Your cashflow forecast is a good indicator of the health of your business and its importance cannot be overstated (see Chapter 2.)

It is advisable to set up standing orders for all regular income and expenditure wherever possible. This greatly reduces the day to day bookkeeping workload and means you can go away for a couple of weeks without running into financial trouble! It also leaves you more time to focus on financial planning and identifying problems before they happen, rather than spending all your time writing cheques and travelling to the bank to make deposits.

When organising your day-to-day procedures it can be helpful to divide separate aspects of your centre into autonomous rent-paying organisations. For example, if you are setting up a private members club (see Chapter 10), a café or a bookshop, these can be constituted as unincorporated bodies and have their own bank accounts. The advantage of this is that it decentralises financial management of the centre and gives the collectives control over their own finances. It also greatly simplifies overall financial management of the centre, reducing it to core income and expenditure. The typical income and expenditure for a social centre is detailed below.

**Income**

- **Sales** – if your centre’s core business is as a café, for example, the income from the café will be sales.
- **Rent** – from tenants (businesses & individuals) and user groups – set up standing orders that arrive into your account before the major expenditure for that month leaves!
- **Donations** – tax-free income from individuals and groups, usually without restrictions. Individuals’ donations are great, especially monthly standing orders, as they provide a reliable regular tax free income. It’s a good idea to have a well-drafted donation request letter with attached standing order form that can be distributed far and wide - you’ll be surprised at the people who will support your project. Several donations of just a few pounds a month soon add up to several hundred pounds a year – tax free! Having a Paypal button on your website will also encourage donations. It is an advantage to increase the proportion of your income which is met by donation; for example, rather than charging fixed rates for room hire, you could instead offer the service for free (or a small fee), but encourage extra donations to help cover costs. A private members club, for example, might pay a small rent of £200 per month to use the space. The private members club might then choose to make a donation of any surplus it makes to the social centre. This has an obvious pitfall, however, in
that the private members club might choose to donate its money elsewhere!

• **Grants** – tax-free income from donor organisations, often with conditions attached.

**Expenditure**

• **Purchases** - if your centre’s core business is a café, for example, the café supplies will be purchases.

• **Business Rates** - Commercial properties are charged with business rates, usually paid to the council in 10 instalments from April to January. They are generally higher in commercially popular areas and lower in quieter streets. If a building is changed in any way, the local assessor will need to come around and ‘re-assess’ the space, which may affect the level of business rates. You can also apply for a reduction in business rates – charities can get up to 100% reduction, so if you can prove to the assessor that your business is ‘charitable’, i.e. not commercial/profit making, and offering valuable services to the community (such as free advice sessions) you may be able to apply for a reduction.

• **Council Tax** – If your property includes residential accommodation you will be liable for council tax, again usually paid in 10 instalments from April to January. You might be eligible for a reduction on this as a not-for-profit business.

• **Water Rates** – Usually billed quarterly, but can be paid by monthly direct debit. Water rates should be zero-rated for VAT.

• **Electricity & Gas** – as a not-for-profit business you may be eligible for a reduced rate of VAT on utilities. Any residential accommodation should be charged at the reduced rate (see www.hmrc.gov.uk/vat/charities-applied.htm) Where possible it is preferable to pay utilities by monthly direct debit or at least to budget for them monthly so that you are able to pay several hundreds of pounds on a quarterly basis. Given that utilities are a major controllable expense for Social Centres, it can be useful to invest in a energy monitor and spend some time identifying how best to cut your consumption. A large electronic display in the centre helps to focus minds on the need to reduce energy consumption and lower CO2 emissions! Taking weekly meter readings helps build up an accurate picture of your usage, monitor unusual peaks and project expenditure for the future. It is highly recommended.

• **Insurance** – paid annually, this is one of the bigger core expenses (probably around £2000) and needs to be budgeted for in your cashflow forecast.

• **Accountant** – an optional annual expense that can run to around £1000. This might be a good investment as accountants can save you lots of money by understanding clever nuances of finance law; however, it could just be an unnecessary additional expense. If you do pay an accountant don’t forget to include it your cashflow forecast.
- **Auditors** – See Chapter 1 regarding an Audit Exemption.
- **Telephone & Internet** – business rates are more expensive than domestic. Paying monthly by direct debit is usually cheaper and helps keeps tabs on usage.
- **Travel** – fund for members to attend meetings around the country. Includes agreed mileage allowances.
- **Printing** – flyers, etc.
- **Office** – stationery, etc.
- **Fixtures & Fittings** – furniture, etc.
- **Books** – for reference. If you run a bookshop, books would be accounted for as purchases.
- **Repairs, Maintenance & Cleaning** – includes building repairs, fire equipment maintenance, fire alarm system testing, PAT testing and all other maintenance.
- **Professional Fees** – This includes Radical Routes Membership, FSA or Companies House Annual Fee, etc.
- **Mortgages & Loans** – usually your biggest monthly outgoings, paid by direct debit.
- **Corporation Tax** - The abolition of the £10k Corporation Tax threshold now means that all companies (whether IPS or CLG) making a surplus will be liable for Corporation Tax. While it might be possible to avoid making a surplus, this is not always possible or advisable. If you have loans to repay, for example, then you must make a surplus in order to repay them. One way to address this issue is to increase the amount of donations received as a percentage of your income. Donations are tax free.
- **Extraordinary Maintenance** – where finances allow it is wise to put aside a certain amount each month towards an extraordinary maintenance fund (see Chapter 5).

**Cash Handling**
Any part of your centre that generates income needs to have a system set up for cash handling. You’ll need a safe to store money securely and a procedure for cashing up (which largely involves filling out a cashing up sheet and putting the money in the safe). A letterbox safe is useful as it allows takings to be deposited securely while limiting access to a few trusted key-holders. Key-holders can then check and bank takings on a weekly basis.

It is helpful to have an amount of petty cash on hand to facilitate making minor payments.

**Financial Planning**
This is especially important when you are establishing the centre (see Chapter 2).
Once up and running, it is advisable to have financial planning meetings at least quarterly to take an overview of the financial situation of the centre and consider options available for the future. Where social centres get into serious financial trouble, it is nearly always due to a lack of regular financial oversight leading to an unforeseen crisis situation.

**Loanstock**
While mortgages and loans are repaid monthly, loanstock falls due only at the end of the period it was loaned for. By mapping out when your loanstock falls due, you can calculate a monthly amount to set aside for loanstock repayment. If your finances do not allow you to set the full amount aside each month, do not fret; this is very common and will require re-financing at the end of the loan term.
CHAPTER 9: RUNNING A CAFÉ

The legal stuff
To serve food to the public, you will need to be a registered food business that maintains food hygiene standards. To register a food business, all you need to do is fill out a form from the council, though names of people ‘in charge’ will be needed as well as a vague idea of what will be served.

As soon as you are near completing a purchase on a building, you will want to contact the Food Hygiene and Pollution Control departments of the local council; meet them and discuss your plans. They will have certain requirements that will need to be met. Pollution Control could demand soundproofing, as well as extraction systems (they will recommend which systems to get) from the main areas as well as the kitchen. This work is likely to be costly, but usually legally necessary. The Food Hygiene department will advise on layout of the kitchen, storage requirements and more.

Before you open
A café collective will need to decide opening times and how staffing will work. You need to develop a workable menu, set prices, and work out where to get your supplies from (for local organic farms/distributors see www.soilassociation.org/web/sa/directory.nsf/) Some volunteers will need to be sent on food hygiene courses.

Getting equipment together
Second hand equipment should be sufficient for most things (look at free ad papers and try auctions), but crockery should be in good condition – it’s considered unhygienic to serve food on cracked/chipped plates.

Necessary equipment includes:
- A double basin sink (so food preparation and washing up are separated)
- Extra handwash sink
- A sufficiently large fridge
- Pans and baking trays (preferably not aluminium)
- Mixing bowls
- Jugs
- A water boiler for teas
- Cutlery tray
- Kitchen utensils and serving spoons
- Plenty of plastic storage containers
• Blender
• Fryer / griddle
• Scales
• A well stocked First Aid kit,
• A food thermometer (from any catering supplies shop) to take the temperature of cooked foods, as well as a log for regular temperature records.

Food hygiene
A kitchen should also have listed cleaning processes describing what gets done at the end of each day (eg. wipe down all work surfaces, sweep and mop the floor, take rubbish out to somewhere it won’t attract rats), as well as a rota or similar for larger cleaning jobs that need to get done regularly (eg. cleaning the fridge, cooker, shelving, walls, behind the fridge/work surfaces/cooker, inside the bin).

As a new business, you can expect a food hygiene inspection. The inspectors should be helpful to start with; they will want to see various procedures in place, and food hygiene certificates of volunteers, as well as general cleanliness, and they will give you advice on things you aren’t sure about. However, if they receive any complaints from anywhere about the hygiene, they wield extensive powers to shut you down.
CHAPTER 10 : RUNNING A BAR

In the UK, it is illegal to sell alcohol from a premises without a licence. The usual licence to sell to the public is a ‘Justices on- or off-licence’ which is granted by local Licensing Committees. For this, an individual needs to be designated as the ‘licensee’, who must then apply for the licence and undergo police checks. Meanwhile the premises will undergo thorough checks from the fire and local authorities. This can be very expensive and relies on one person more than most anti-authoritarian groups would like.

PRIVATE MEMBERS CLUBS

The 1in12 Club, Cowley Club, and Sumac Centre, as well as a lot of community centres, are all licensed to run their bars as private members’ clubs. This is called a ‘Registration Certificate’ and differs from a Justices Licence, because the alcohol sales are not considered sales to the public. There are several advantages: it is a management committee which is legally liable for the licence rather than an individual; a registration certificate is easier to get than a licence and involves a lot fewer hoops to jump through; and you don’t need a ‘Public Entertainments Licence’. Furthermore, having control over access to the bar can make the bar easier to manage, especially if you’re located on a busy main street; rather than your bar turning into just a cheap booze hangout, it can be seen as a self-organised space which you need to join willingly. A members’ club need not be as ‘exclusive’ as it sounds – especially if the centre is open to the public at other times and users are encouraged to join. The Cowley Club picked up about 1,500 members in its first year, for example.

It’s advisable to set up a separate legal structure/business for the bar, such as another co-operative, or simply a private members club. Running different aspects under the same structure is confusing enough to the authorities as it is, and especially for licensing purposes. As a members’ club, you will need to set procedures for alcohol sales and members’ access in the rules that the authorities will want to look at, but a lot of this will not apply to other activities in the centre and can lead to false interpretations, and to the rules getting longer and more convoluted. It also makes sense financially to keep the accounts simpler, as well as possibly affecting Business Rates reductions, VAT registration and taxation.

The criteria for being a Private Members Club

- There must be an interval of at least two days between nomination for membership and granting of membership or admission
- There must be at least 25 members
• The club must be established and conducted in good faith
• The club must be non-profit making
• Alcohol is not supplied or intended to be supplied to members on the premises other than by, or on behalf of, the club.

A ‘bona fide’ members’ club cannot just lose its licence. ‘Bona fide’ means that it is actually only used by members and their guests (not random guests; often 2 per member). Records need to be kept (e.g. a members’ register, and signing in books), the access controlled (i.e. people shouldn’t just be able to walk in, or even look in – the windows need to have curtains/blinds/be obscured), and there needs to be a joining procedure - applications generally need to be proposed and seconded and displayed for, usually at least 7 days (i.e. someone can’t come in and join on the spot).

The book ‘500 Points in Club Law’ answers nearly all questions around members’ clubs and is available from the CIU (Club and Institute Union) – see Appendix 1.

Applying for a Private members club premises certificate
You will be able to obtain an application form from your local council’s Licensing Department. The application is returned to the licensing department, with copies going to the Police, the Fire Authority and to other relevant council departments (Health and Safety, Environmental Health and Child Protection). All these will run checks and may come and visit.

It’s probably best to contact all of these in advance and let them know you plan to submit an application, to get an idea of what they are expecting to see. A copy of the application should also be displayed outside the premises for the public to inspect.

You must provide the licensing department with the following:
• The club operating schedule (ie. opening times etc.)
• A plan of the premises
• A copy of the club rules
• The correct registration fee.

The management committee
Your management committee is responsible for all aspects of running the bar and applies for the certificate. The management committee needs to consist of at least 3 people, including a Secretary and a Treasurer, all ‘upstanding citizens’ (their names and addresses will be given to the police to be checked); it also helps to be able to present some background in running a bar. It would be a good idea for at least some members of the management committee to complete the BII certificate, which is the equivalent of a Food Hygiene Certificate for alcohol dispensing, and consists of a short course with an exam. A local college will probably run the course, or you can
The club should be run by regular general meetings to which all members are welcome, and have annual general meetings, where accounts are presented and new committee members are elected. Guidelines for these should be in your rules.

**ENTERTAINMENTS IN PRIVATE MEMBERS CLUBS**

As a private members’ club with Club Premises Certificate, there’s no need for an additional public entertainments licence for live music or dancing, or other entertainments. Events aren’t supposed to be publicised to the public – posters would need something like ‘Members and their Guests Only’ on them. In your application form for a club premises certificate, you are able to say which regulated entertainments you will be hosting. If you then want to host entertainments beyond this (i.e. open to the general public), you will need to apply for a Temporary Events Notice.

**Temporary Events Notices**

A Temporary Events Notice (TEN) allows you to put on an event to the general public, involving alcohol sales and/or regulated entertainments. Any member can apply on behalf of your club. You can submit 12 TENs a year. Application forms can be obtained from your council. You can also apply for TENs if you are not a private members club.

**Beer**

You will need to have a look around for a brewery or a cellar stocking company to supply you with beer. You don’t need to be ‘tied’ to a brewery - and legally, as a members’ club, you shouldn’t be - but you might want to enter into a contract with a brewery to fit the cellar with beer lines and maintain them. Working with a small local brewery is preferable to a huge corporate one or a corporate middleman, so have a look around and start talking to breweries as soon as you can. Dealing with just one brewery doesn’t necessarily mean you will only get their beer – many breweries swap beers with others and you may get these through them.

The brewery you end up dealing with will be able to explain what exactly you need in order to store and pour beer, but it basically involves: a beer cellar (cooled – possibly by a whole cooling system) with kegs for lager-type beers and casks for real ales; lines up to the bar servery and dispensing pumps (hand pumps for the real ales); and gas connecting to the kegs (but not the casks). It will save a lot of time, money and hassle if someone involved in your club gets some basic cellar training and shares this know-how with others.
The bar
A bar might also want to sell bottled beers and ciders, wines, spirits, juices, soft drinks and mixers, as well as snacks like crisps and nuts. Most of this stuff can be bought in bulk at cheaper trade prices at a cash and carry – as a registered business you can apply for a card.

As well as the pumps, your bar servery should include a fridge, a handwash-only sink, shelving for glasses (which must be legally-measured glasses) and for spirit optics (which also must be legal measures) and either a glasswasher or a separate sink for washing glasses. As a private members’ club, when the centre is open to the public all alcohol will need to be locked away.
CHAPTER 11: BEING A LANDLORD

Renting out part of your space to an ethical business or as social housing can be an excellent regular reliable income stream. Both the Sumac Centre and the Cowley Club have tenants living above their social space and the Sumac Centre rents out its basement to Veggies, the Vegan Catering Campaign.

SOCIAL HOUSING

Having tenants living in part of your social centre brings in a reliable regular rent and also increases the security of the space by having people around it when it is not open.

Responsibilities of the Landlord

- To allow tenants to reside in the property without disturbance
- To make reasonably prompt repairs and maintenance to the property as required
- To maintain the structure and exterior of the property, hot water installations and water supply, electrical wiring, basins, baths, sinks and toilets, etc.
- To ensure the building complies with building regulations
- To ensure that all gas appliances are safely maintained by CORGI-registered engineers
- To make sure all electrical equipment is safe to use
- To provide furniture (if the property is furnished) that meets necessary fire regulations
- To provide and maintain fire alarms, fire extinguishers, fire blankets, fire escapes and smoke or heat alarms.

Rights of the Landlord

- To repossess the property if rent remains unpaid for 14 days or more, where the tenant breaches the terms of the tenancy or becomes bankrupt, or enters into an arrangement with creditors
- To dispose of unclaimed property left at the premises within a specified period of time
- If the tenancy contains a break clause, either the landlord or the tenant can exercise this after the first six months of the tenancy
- To enter the property after providing the tenant with reasonable notice of doing so (usually 24 hours)
- To seek possession of the property if the tenant has damaged it
• To collect overdue rent payments from the tenant.

The relationship between the tenants and the social centre landlord can be an unusual one. It can be hard work because many people in co-operatives tend not to enjoy acting as a landlord! The Cowley Club has chosen to rent to a housing co-operative which manages its own tenants. This means that the centre is only a landlord to a business while the housing co-op bears the bulk of the responsibilities of day-to-day management. The Sumac Centre has a smaller collective which oversees the landlord duties to the tenants, but also requires a tenant to come to the Sumac monthly general meeting to promote communication between landlord and tenants.

HMO LICENSING AND REGULATIONS

Any property housing more than two unrelated people, who are not leaseholders in that property, is a ‘House of Multiple Occupancy’ or HMO. Since 2006 / 2007, local authorities have been required to hold a register of HMOs and to issue licences to the landlords. This requirement applies to buildings with three or more stories, but councils are allowed to extend the HMO register to include smaller properties if they choose. It is mandatory for landlords of affected HMOs to get a licence to rent out each property.

A HMO licence requires landlords to pay an annual licence fee to their local authority, which varies between authorities. Also, landlords must meet certain building, fire and security regulations. These are likely to include: fire doors, more than one toilet for more than six residents, mains-operated fire alarms, specific ventilation requirements, etc. They will be readily available from the council, usually via their website. Councils are fairly reasonable about allowing landlords time to meet the building regulations.

If a landlord of a HMO fails to get a licence, they maybe taken to court and fined. The council can claw back any housing benefit payments paid during the unlicensed period and the landlord will still have to get the licence and implement the requirements.

Exemptions

If your property has fewer than three floors you may be exempt, depending on the extent of your local authority’s register.

In Scotland, where new HMO laws were first tested, small, fully-mutual housing co-ops have a specific exemption. At time of writing (mid-2009), Friendly Housing Action (the lobby group of small housing co-ops – see contacts) is confident that
an equivalent situation will be enacted in England and Wales. In other words, it is hoped that the Department of Communities and Local Government will include an exemption for fully mutual housing co-ops managed by general meeting in the next round of housing legislation.

This means you will NOT be exempt if:

- The residents are not members of a housing co-op; or
- The housing co-op doesn’t hold the lease or own the property; or
- The housing co-op’s rules are not fully mutual; or
- The housing co-op is managed by a committee.

You MAY BE exempt if the residents pay rent to a housing co-op, which they manage collectively and which owns the property.

**RENTING TO BUSINESSES**

Renting part of your space to small ethical businesses has a number of advantages. These include a reliable stream of income, people using your building at times when it would otherwise be closed and the opportunity for the business and your centre to work together in a wonderful symbiotic relationship.

For example, Veggies Catering Campaign rents the basement floor of Sumac Centre; this allows the Sumac to borrow a lot of Veggies’ equipment, whilst Veggies has a pool of volunteers to call on for its catering work.
APPENDIX ONE: USEFUL ADDRESSES

Triodos Bank
Brunel House, 11 The Promenade, Clifton, Bristol BS8 3NN
[t] 0800 328 2181 [e] mail@triodos.co.uk [w] www.triodos.co.uk
Ethical investment bank, for mortgages and loans.

Ecology Building Society
7 Belton Road, Silsden, Keighley, West Yorkshire, BD20 0EE
[t] 0845 674 5566 [e] info@ecology.co.uk [w] www.ecology.co.uk
Will provide mortgages and loans to ecologically sound projects

Unity Trust Bank
Nine Brindleyplace, 4 Oozells Square, Birmingham B1 2HE
[t] 0121 6164101 [f] 0121 6312365 [w] www.unity.co.uk
Bank set up by trade unions, supporting unions, co-ops, charities; provide free business banking.

Co-operativesUK
(including Industrial Common Ownership Movement - ICOM)
Holyoake House, Hanover Street, Manchester M60 0AS
[t] 0161 246 2900 (for ICOM: 246 2959) [f] 0161 831 7684
[w] www.cooperatives-uk.coop
Support for co-operatives, help with registration, business matters, legal matters, lobbying on behalf of the co-operative sector etc. They have an incredibly useful website.

ICOF (Industrial Common Ownership Finance Limited Company)
(also known as Co-operative and Community Finance)
Brunswick Court, Brunswick Square, Bristol BS2 8PE
[t] 01179 166750 [f] 01179 166751 [e] info@co-opandcommunityfinance.coop
[w] www.icof.co.uk
Offer loans to co-operatives, etc.

The Financial Services Authority
25 The North Colonnade, Canary Wharf, London E14 5HS
[t] 020 7066 8002 [w] www.fsa.gov.uk
Register IPSs
Companies House
Main Office: Crown Way, Maindy, Cardiff CF14 3UZ
[t] 0870 33 33 636 [e] enquiries@companies-house.gov.uk
[w] www.companieshouse.gov.uk
Registers and regulates companies

Co-operative Development Bodies (CDB)
There are lots of local CDBs – contact Co-operatives UK to find your nearest one or look at the Co-ops UK website for their list of Co-operative Development Bodies.

Catalyst Collective
16 Princess Way, Earsham, BUNGAY NR35 2SY,
[t] 0845 223 5254 [e] info@catalystcollective.org
[w] www.catalystcollective.co.uk
Co-op registrations and help/advice on setting up co-ops and other aspects.

The Club and Institute Union Limited
Club Union House, 251-256 Upper Street, London N1 1RY
[t] 020 72260221 [e] info@wmciu.org [w] www.wmciu.org.uk
The union of Working Men’s Clubs. Will usually only provide advice to their members. You can purchase the book ‘500 Points in Club Law’ from them, which is a useful resource for members’ bars.

Somerset Co-op Services Ltd
Fullards Farm, Trull, Taunton, Somerset TA3 7PE
[t] 0845 458 1473 [e] alexlawrie@upstart.coop [e] sandraaldworth@upstart.coop
[w] www.upstart.coop
Provides support to co-operatives including accountancy and financial services.

Rootstock Ltd
BM Rootstock, London WC1N 3XX
[t] 0870 4581132 [e] info@rootstock.org.uk [w] www.rootstock.org.uk
Ethical investment scheme set up so that individuals can help radical co-ops with their savings while receiving interest. Invests in Radical Routes, enabling it to make loans to its member co-ops.
The Accountancy Co-operative
56 Dorchester Road, Lytchett Minster, Poole, Dorset BH16 6JE
[t] 01202 621622 [e] accounts-coop@btconnect.com [w] www.accountancy.coop
Specialises in services to co-ops and other small businesses.

Slade & Cooper
6 Mount Street, Manchester, M2 5NS
[t] 0161 831 0100 [f] 0161 831 0101 [e] office@sladecooper.co.uk
[w] www.sladecooper.co.uk
Auditors and accountants who specialise in co-ops

Zurich Municipal - Community Insurance Centre
Head Office, Zurich Hse, 2 Gladiator Way, Farnborough, Hampshire, GU14 6GB
[t] 0870 2418050 (Switchboard) [w] www.zurich.co.uk
Will deal with co-operative social centres to provide insurance

Co-operative Insurance Society
Miller Street, Manchester M60 0AL
[t] 08000 686687 [w] www.co-operativeinsurance.co.uk
Insurance for co-ops.

Data Protection Registrar (DPR)
Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF
[w] www.dpr.gov.uk
If you need to register under the Data Protection Act this is who to register with
(costing about £35). Beware letters coming from dodgy companies suggesting you
register through them and wanting to charge you plenty to do so.

Land registry
[w] www.landreg.gov.uk

Social Centres Network
[w] www.wombles.org.uk/scn/londonscn.php

Advisory Service For Squatters
Angel Alley, 84b Whitechapel High Street, Whitechapel, London, E1 7QX
Info for squatters and resources on squatting. Open: Weekdays 2-6pm.
APPENDIX 2:
EXISTING SOCIAL / RESOURCE CENTRES

This list is not by any means exhaustive, but focuses on more established social centres. Compiled May 2009; for more up-to-date info contact the Social Centres Network.

The Cowley Club
12 London Road, Brighton BN1 4ZQ, Tel. 01273 696104
[w] www.cowleyclub.org.uk
The Cowley Club is a collectively run libertarian social centre on the busy London Road in Brighton. It houses a cafe and bookshop during the day, a private members bar during the evenings, and is a base for a variety of other projects. It is a Radical Routes Co-operative.

The Sumac Centre
245 Gladstone Street, Nottingham NG7 6HX
[t] 0845 458 9595 [e] sumac@veggies.org.uk [w] www.veggies.org.uk/sumac
The Sumac Centre provides resources and a meeting place for local groups and individuals campaigning for human and animal rights, the environment, peace and co-operation worldwide. Established in the mid 1980s as the Rainbow Centre, Sumac works independently of, but in co-operation with, other groups both locally and nationally. We exist through the hard work of many people, all of whom are volunteers. There is a café, social club/bar, kids activities, a library and campaigning resources, and it is also home to Veggies catering campaign. It is a Radical Routes Co-operative.

The 1 in 12 Club
21-23 Albion Street, Bradford, West Yorks BD1 2LY
The 1 in 12 Club was formed in 1981 by members of Bradford's anarchist-orientated Claimants Union in 1981. The immediate objectives were to generate and sustain a social scene, accessible and affordable to both the low-waged and unemployed. The 1 in 12 Club is two separate things; firstly and most importantly it is a group of people who work together to promote certain political ideals and social change; secondly it is a building, housing a member's social club. The different interests and concerns of the membership are reflected in various collectives within the Club; bookings, record, publications, cafe, library, etc.
The Autonomous Centre of Edinburgh (ACE) is a self-funded community resource centre for grassroots organisation, encouraging people to take more control of their lives. We do not provide solutions, but believe in joining together to support each other.

London Action Resource Centre (LARC)
62 Fieldgate St, Whitechapel, London E1 1ES
[t] 020 73779088 [e] info@londonarc.org [w] www.londonarc.org
A collectively run building providing space and resources for people and groups working on self-organised, non-hierarchical projects for radical social change. The resources of the building include office space, computer and internet facilities, a roofgarden, a growing radical reference library, banner-making and tool space, as well as meeting and event rooms.

56a Infoshop
56 Crampton Street, London SE17 3AE
[e] infoshop56a@yahoo.co.uk [w] www.56a.org.uk
The 56a is an unfunded 100% DIY-run space in London. We are a resource for local people, campaign groups and projects as well as selling books, zines, music and clothing. We have a radical archive of international info, a seed trading project and we share the space with Fareshares whole foods co-op and a DIY bicycle repair workshop.

Kebele
14 Robertson Road, Bristol BS5 6JY, 0117 9399469
[e] kebelesocialcentre@riseup.net [w] www.kebelecoop.org
A space for organising, supporting and campaigning autonomously. Kebele is a community co-operative, run by volunteers on a not-for-profit basis and providing an alternative social space. We organise collectively without leaders and oppose all forms of authority. Amongst other things, Kebele has provided a very popular vegan cafe and a bike workshop.

RampART
15-17 Rampart Street, Whitechapel, London, E1 2LA
[t] 07050 618445 [e] rampart@mutualaid.org
[w] www.therampart.woodpress.com
A Creative Centre and Social Space: RampART is one of a number of autonomous spaces around London providing a non-commercial venue for a wide-range of groups and activities. As with all such spaces, this is a self organised project, with a strong emphasis on consensus decision making and DIY culture.

Seomra Spraoi
10 Belvidere Court, Dublin 1
[e] seomraspraoi@gmail.com [w] www.seomraspraoi.org
Seomra Spraoi is an autonomous social centre in Dublin city centre. It is run by a non-hierarchical, anti capitalist collective on a not-for-profit basis. It hosts workshops, gigs, political meetings, film screenings, a vegan cafe and lots more. The centre seeks to be a hub of positive resistance in a city and society where public spaces have been eaten away by consumerism, property speculation and the culture of the car.

The Common Place
23-25 Wharf Street, Leeds, LS2 7EQ
[t] 0845 3457334 [w] www.thecommonplace.org.uk
Leeds’ autonomous radical social centre.

Lancaster Re-source Centre (la.RC)
78a Penny Street, Lancaster, LA1 1XN
[t] 01524 383012 [w] www.eco-action.org/lancaster
Lancaster Resource Centre is a meeting place and resource centre for people involved in all sorts of campaigns, projects and activism.

OARC - Oxford Action Resource Centre
Princes St, Oxford, OX4 1HU
[t] 01865 243121 [e] oarc@riseup.net [w] http://theoarc.org.uk
The OARC is a resource run by an open collective of volunteers. We're interested in community development and working towards a more socially just and environmentally sustainable society. We offer resources free of charge and only for non-commercial use. We prioritise uses of OARC that make the world a better place.
APPENDIX 3: EQUAL OPPORTUNITIES POLICY

1. STATEMENT OF VALUES AND DECLARATION OF INTENT

The ************* is committed to taking positive action to fight unlawful discrimination in every respect of its work. We will work to ensure that all staff both paid and unpaid and users of the service receive equal access and treatment.

The ************* recognises the discrimination experienced by certain individuals and groups in society and as such actively works to eliminate all forms of discrimination by the removal of unfair mechanisms, prejudice and oppressive behaviour.

The ************* recognises that direct and indirect discrimination exists in our society. We believe that no-one should suffer oppression, bullying, harassment or lack of opportunity on the basis of their age, race, colour, gender orientation or reassignment, sexual orientation, marital status, ethnic or national origin, disability or any other factor, either directly or indirectly.

2. DEFINITION AND SCOPE

Direct discrimination in general terms consists of words or practices which disadvantage either a person or a group directly because of their age, disability, ethnic or national origin, gender, religion or belief, sexual orientation or any other factor.

Indirect discrimination is treatment that might be equal between different groups but is discriminating in its effect on one particular group. It is a rule, condition or requirement that is applied equally to all but results in an unfair effect on a particular group and that cannot be justified.

These definitions have been adapted from anti-discriminatory legislation. ************* recognises its responsibilities under the:

- Race Relations Act 1976 (and its subsequent amendments)
- Sex Discrimination Act 1975 (and its subsequent amendments) & Employment Equality (Sex Discrimination) Regulations 2005
- Disabled Persons Act 1944, 1958, 1986
- Equal Pay Act 1970
- Rehabilitation of Offenders Act 1974
- Disability Discrimination Act 1995, 2005
• Employment Equality (Sexual Orientation) Regulations 2003
• Employment Equality (Religion & Belief) Regulations 2003
• Sex Discrimination (Gender Reassignment) Regulations and Gender Recognition Act 2004
• Employment Equality (Age) Regulations 2006
• Equality Act 2006
• Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000
• Fixed-term employees (Prevention of Less Favourable Treatment) Regulations 2002

(For a brief outline of each of the above acts see the ‘appendix: the Main Acts’ at the end of this policy document)

However The ************* is committed to working in a fair way acknowledging differences and regards this legislation as a minimum standard.

2.1 Management of The *************

• The ************* will be managed in the most open and democratic way possible.
• The management of The ************* will take note of the views of service users, members, staff and volunteers.
• The ************* will encourage representatives from all sections of the community in its membership. Efforts will be made to encourage members from under-represented groups to take part.
• The ************* believes that everybody has some contribution to make and efforts will be made to ensure that everybody can take part.

3. EQUAL OPPORTUNITIES IN SERVICE DELIVERY

The ************* is committed to ensuring equality of access to all its services. We recognise that everybody has the right to use our services and we will treat everybody with whom we come into contact in a respectful and friendly manner.

We will aim to ensure that no sector of the community shall be denied access or receive a poor service on the grounds of age, race, gender, disability, being a lesbian or gay man, marital status, ethnicity or religious belief.

The ************* will aim to ensure that all its services will be provided in line with this Equal Opportunities policy. In order to promote equality of access we will aim to ensure the following:
• that services are based on consultation with those who receive the services and
positive steps are taken to include excluded groups in decision making.
• that all services are flexible and responsive to the changing needs in the
community.
• that information on services is widely available and where necessary targeted to
ensure maximum awareness of provisions.
• that systems are developed to audit and monitor service delivery and consumer
satisfaction.
• that an accessible complaints procedure will be developed to ensure against
discrimination in service allocation and delivery.
• that positive action programmes will be developed to target the needs usually
excluded groups.
• that in advertising and publicity The ************* will be presented as an
organisation committed to promoting equal opportunities.
• that care is taken to ensure that the venues, equipment and language we use,
the environment, the office services we provide, the printed matter we produce,
training programmes, our behaviour, our advice and information giving are all
dealt with in a non judgemental and non-discriminatory way.
• that staff, volunteers and committee members have a legal and moral
obligation not to discriminate and will be expected to recognise and challenge
discrimination when it occurs. This should be done in a positive way.

4. PAID STAFF & VOLUNTEERS

4.1 Recruitment
• Application Forms will be simple, clearly written and ask only for information
that is relevant to the post.
• Job Descriptions will be written using clear language and will outline the aims,
duties and responsibilities.
• Person Specifications will be written using clear language and will list the
essential and desirable skills and experience needed by the holder of the post.
• Equal Opportunities Monitoring Form will be written using clear language
and will ask only for information relevant to this policy. It will contain an
explanation about why the information is being requested and will state that
the information will not be used as part of the recruitment and will remain
anonymous. An envelope will be included to keep the application form and the
monitoring form separate.
4.2 Employment
- All staff and volunteers will be offered appropriate supervision.
- The ************* will sign post towards relevant training that arises, including equality training and will consider all requests to support this in staff time, where it can.
- All staff and volunteers will be able to use a grievance procedure and will be aware of disciplinary procedures.
- It will be made clear to all staff and volunteers that discrimination, abuse or harassment on the grounds of race, gender, disability or sexuality, if proven, is a dismissible offence.
- All staff and volunteers will be offered an introduction and initial training appropriate to their post.

5. MEMBERSHIP

We will make efforts to extend our membership to include a wide range of people with a common interest. The membership will reflect the voluntary and community scene across the area. We will make it clear that individuals applying to become members need to support this policy.

6. MONITORING AND REVIEW

The effectiveness of the equal opportunities policy needs to be monitored and the policy reviewed at regular intervals.

The committee members will ensure that responsibility is taken for setting specific objectives, monitoring them and reviewing and monitoring this policy.

APPENDIX: THE MAIN ACTS

Race Relations Act 1976, 2000 Amendment and 2003 Amendment Regulations
- It’s unlawful to discriminate against someone on the grounds of race, colour, nationality – including citizenship – or ethnic origins in employment, education, housing and the provision of goods, facilities and services.
- The 2000 Amendment placed enforceable duties on public bodies to promote equality.
- The penalties for race discrimination can be high since there is no limit on compensation and there is no length of service requirement in bringing a claim.
Equal Pay Act 1970
• It’s unlawful to discriminate between women and men in contracts of employment, including pay and other benefits.

• It’s unlawful to discriminate against someone on the grounds of sex or marital status in employment, education, housing and the provision of goods, facilities and services.
• Less favourable treatment of women on the grounds of pregnancy or maternity leave is also defined as a form of discrimination.
• Sex based harassment - i.e. harassment based purely on the victim’s sex; harassment of a sexual nature - i.e. physical activity of a sexual nature or non-physical activity of a sexual nature such as offensive jokes or vulgar comments; sexual harassment on grounds of gender reassignment status; and harassment on grounds of rejection of harassment or submission to harassment are expressly prohibited.
• The penalties for sex discrimination can be high since there is no limit on compensation and there is no length of service requirement in bringing a claim.

Employment Equality (Sexual Orientation) Regulations 2003
• It’s unlawful to discriminate against someone on the grounds of their sexual orientation, whether lesbian, gay, heterosexual or bisexual in employment or vocational training.
• Discrimination relating to perceived sexual orientation is also unlawful.
• The penalties for sexual orientation discrimination can be high since there is no limit on compensation and there is no length of service requirement in bringing a claim.

Sex Discrimination (Gender Reassignment) Regulations and Gender Recognition Act 2004
• It’s unlawful to discriminate against someone on the grounds that they have undergone, are undergoing or intend to undergo gender reassignment in employment and vocational training.
• A person who has undergone gender reassignment also has the right not to be discriminated against as a person of their acquired gender.

Disability Discrimination Acts 1995 and 2005
• It’s unlawful for any employer or service provider, regardless of size, to discriminate against someone on the grounds of their disability.
• Employers and service providers have a duty to make reasonable adjustments to enable a disabled person to work or use a service.
• The penalties for disability discrimination can be high since there is no limit on compensation and there is no length of service requirement in bringing a claim.
• A disability is defined as a physical or mental impairment which has a substantial and long-term adverse effect on the ability to carry out normal day-to-day activities. Since December 2005, this will also include people with cancer, HIV and multiple sclerosis.

Employment Equality (Religion or Belief) Regulations 2003
• It’s unlawful to discriminate against someone on the grounds of their religion, religious belief or similar philosophical belief in employment and vocational training.
• Religious harassment is defined as a form of discrimination.

Employment Equality (Age) Regulations 2006
• It is unlawful to discriminate against someone on the grounds of age.
• Harassment and victimisation on the grounds of age are expressly prohibited.

Rehabilitation of Offenders Act 1974
• Ex-offenders have certain employment rights if their convictions become ‘spent’, including not having to declare spent convictions and protecting them against dismissal or exclusion (with certain exceptions such as for those working with children).

Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000
• The regulations aims to ensure that part-time workers are not treated less favourably than comparable full-time workers, including having the same rates of pay and pro rata holiday entitlement.

Fixed-term Employees (Prevention of Less Favourable Treatment) Regulations 2002
• The regulations aims to ensure that employees on fixed-term contracts are treated no less favourably than comparable permanent employees, including having the same terms and conditions of employment.
APPENDIX 4:
VULNERABLE ADULTS POLICY & PROCEDURES

1. Statement
1.1 The ************* considers it the duty of staff and volunteers to protect vulnerable adults with whom they come into contact from abuse.

2. Introduction
2.1 The ************* is involved in providing services for a wide range of people. Some of these people are likely to be ‘vulnerable adults.’
2.2 This policy is based on No Secrets, the national guidance on developing and implementing multi-agency policies and procedures to protect vulnerable adults from abuse (Department of Health, 2000)
2.3 The ************* has obligations to strive to protect vulnerable adults who it may believe to be abused or at risk of abuse or neglect.
2.4 The policy and procedures have been developed to assist staff and volunteers in acting on reported or suspected abuse.
2.5 Depending upon the nature of particular services or the requirements of particular funders or partner agencies, the policy and procedures may be supplemented by local procedures.

3. Definitions
3.1 No Secrets defines a vulnerable adult as:
‘A person (over 18) who Is or may be in need of community care services by reason of mental or other disability*, age or illness
AND
Who is or may be unable to take care of him or herself, or unable to protect him or herself against significant harm or exploitation.’
(* Disability includes sensory impairment, physical impairment, learning difficulties etc.)
3.2 No Secrets defines abuse as:
‘Abuse is a violation of an individual’s human and civil rights by any other person or persons.’

4. Categories of Abuse
4.1 No Secrets recognises six categories of abuse:
a) physical abuse, including hitting, slapping, pushing, kicking, misuse of medication, restraint, or inappropriate sanctions
b) sexual abuse, including rape and sexual assault or sexual acts to which the vulnerable adult has not consented, or could not consent or was pressured into consenting;
c) psychological abuse, including emotional abuse, threats of harm or abandonment, deprivation of contact, humiliation, blaming, controlling, intimidation, coercion, harassment, verbal abuse, isolation or withdrawal from services or supportive networks;
d) financial or material abuse, including theft, fraud, exploitation, pressure in connection with wills, property or inheritance or financial transactions, or the misuse or misappropriation of property, possessions or benefits;
e) neglect and acts of omission, including ignoring medical or physical care needs, failure to provide access to appropriate health, social care or educational services, the withholding of the necessities of life, such as medication, adequate nutrition and heating; and
f) discriminatory abuse, including racist, sexist, that based on a person’s disability, and other forms of harassment, slurs or similar treatment.

5. Responsibilities of Staff and Volunteers
5.1 Paid staff and volunteers have a responsibility to be aware and alert to signs that all is not well with a vulnerable person. However, they are not responsible for diagnosing, investigating or providing a therapeutic response to abuse. In addition, not all concerns relate to abuse, there may well be other explanations. It is important to keep an open mind and consider what is known about the vulnerable person and his or her circumstances. No action should be taken without discussion with a member of the management team.

6. Disclosure of Abuse
6.1 If a vulnerable person discloses that they are being abused or any service user discloses that they are involved in abuse of a vulnerable person, action should continue as in Section 8. All action must proceed urgently and without delay.

7. Suspicion of Abuse
7.1 There may be circumstances when a volunteer or member of staff suspects that a vulnerable adult is being abused or neglected.
7.2 It is vital that any anyone who suspects a vulnerable adult is being neglected or abused discusses the situation immediately with a member of the management team. Action should continue as in Section 9.
8. Action on Disclosure of Abuse

8.1 There should always be the opportunity to discuss welfare concerns with and seek advice from colleagues, managers and other agencies, but:

- Never delay emergency action to protect a vulnerable adult
- Always record in writing concerns about a vulnerable adult’s welfare, whether or not further action is taken
- Always record in writing discussions about a vulnerable adult’s welfare.
- At the close of discussion, always reach clear and explicit recorded agreement about who will be taking what action, or that no further action will be taken.

8.2 At all times action must proceed urgently.

8.3 A staff member or volunteer informed of abuse should remind the service user that the charity cannot guarantee confidentiality where a vulnerable person is at risk of abuse or further abuse.

8.4 Volunteers should consult with the committee member co-ordinating their service before taking any action.

8.5 Additionally, all action taken following a disclosure of abuse should be discussed in advance with a member of the management team.

8.6 In circumstances where a service user declines to disclose, despite some work having been done towards disclosing, it may be necessary to report the alleged abuse without the service user’s agreement. In these circumstances, a service user must be notified in advance of the decision to report to social services.

8.7 Any staff member may report a disclosure of abuse to social services irrespective of the opinion of other staff.

8.8 It is important for staff and volunteers to make written records of any incidents or concerns that they have as soon as possible and if appropriate to include sketches of sites and sizes of injuries. It is also important to make a record of conversations with the vulnerable person using the same language the vulnerable person used especially names used for body parts or sexual acts.

8.9 Full written records must be maintained of all disclosures and actions following disclosure.

9. Action on Suspcion of Abuse

9.1 There should always be the opportunity to discuss welfare concerns with and seek advice from colleagues, managers and other agencies, but:

- Never delay emergency action to protect a vulnerable adult
- Always record in writing concerns about a vulnerable adult’s welfare, whether or not further action is taken
• Always record in writing discussions about a vulnerable adult’s welfare.
• At the close of discussion, always reach clear and explicit recorded agreement about who will be taking what action, or that no further action will be taken.

9.2 At all times action must proceed urgently.
9.3 Volunteers should consult with the staff member co-ordinating their service before taking any action.
9.4 Additionally, all action taken following suspicion of abuse should be discussed in advance with a member of the management team.
9.5 In all cases of suspected abuse the manager and staff member should discuss whether issues relevant to different cultures and lifestyles have any bearing on the matter.
9.6 As an organisation The ************* welcomes the fact that people and lifestyles are diverse and does not make judgements about the acceptability or otherwise of lifestyles. However it is important that this philosophy does not stand in the way of the organisation’s responsibility to protect vulnerable people from harm.
9.7 Any staff member or volunteer may report a suspicion of abuse to social services irrespective of the opinion of other staff.
9.8 It is important for staff and volunteers to make written records of any incidents or concerns that they have as soon as possible and if appropriate to include sketches of sites and sizes of injuries. It is also important to make a record of conversations with the vulnerable person using the same language the vulnerable person used especially names used for body parts or sexual acts.
9.9 Full written records must be maintained of all disclosures and actions following disclosure.

10. Making a Referral
10.1 Social services departments have been designated as the lead agencies with responsibility for co-ordinating a response to allegations or concerns of abuse.
10.2 Each of the charity’s managers has the responsibility of informing the relevant social services department of concerns over the abuse or neglect of vulnerable adults. Detailed referral arrangements may differ between localities and, therefore, managers should ensure that they have up-to-date referral information for their locality.
10.3 Committee members should work within the following timescales for reporting allegations or suspicions of abuse:
• Immediate if the vulnerable person is at risk of serious physical harm, or a serious criminal act has taken place, and evidence will need to be kept safe.
• Within 24 Hours if it relates to a specific incident which is, or may be still going on, or may happen again
• Within 7 Days if it is a more general concern, which does not indicate immediate harm.
• Allegations or suspicions of abuse should be reported to the Adult Duty Office, Mary Potter Centre, Gregory Blvd, Hyson Green, Nottingham, NG7 5HY

11. Support to Staff and Volunteers
11.1 ************* will support staff and volunteers in these circumstances. If the social services department need further involvement from staff or volunteers following a report of abuse, a member of the committee will discuss with the social services department the nature of their needs and how they might be met.

12. Allegation of Abuse Made Against a Staff Member or Volunteer
12.1 Staff and volunteers may be subject to abuse allegations. ************* will offer support in these circumstances, but the social services department will be assisted in their investigation and the disciplinary procedure may be implemented.

13. Preventing Abuse by Staff and Volunteers
13.1 It is important that any staff or volunteers who are likely to be working alone with vulnerable people are vetted before being employed.
13.2 It should be noted that having a criminal record does not prevent someone from being recruited as a staff member or volunteer in all circumstances.
13.3 It may be very hard for a worker or volunteer to report a concern about a colleague to a committee member but, as with all the other difficulties people will come across, the safety and protection of a vulnerable person must be the priority in any decision that is made.
APPENDIX 5:  
CHILD PROTECTION POLICY & PROCEDURES

1. Definitions
1.1 In accordance with the Children Act 1989 and 2004, a child is any person who has not yet reached their 18th birthday. For the purpose of these procedures the reference to children therefore means ‘children and young people’ throughout.

2. Policy Statement
2.1 *********** is committed to protecting the welfare of all children as they participate in ***********’s services and/or activities. *********** understands its responsibility to comply with legislation and will constantly monitor developments in this field. However, *********** recognises that the best protection for children participating in our programmes is the vigilance and forethought of staff and volunteers in preventing circumstances where abuse of trust could occur. To that end, *********** will strive to create a safe and secure environment where service users, volunteers and staff can work together confidently in mutual respect.

2.2 This policy should be read in conjunction with the *** INPUT YOUR OWN COUNCIL *** Child Protection Procedures (updated in November 2007). These procedures reflect and are compliant with Working Together 2006 and the following: the Education Act 2002, Every Child Matters: Change for Children Agenda, the Children Act 2004 and the National Service Framework (NSF) Children and Young People and Maternity Services.

2.3 *********** staff and volunteers are required to abide by the Staff Member/Volunteer Code of Conduct and, as part of that Code of Conduct, are required to notify *********** of any police record or other factor which may make that person unsuitable to work with children.

2.4 *********** will ensure that the Codes of Conduct, and the organisation’s child protection procedures are continually monitored, developed and maintained and are appropriately communicated throughout the staff and volunteer network. Volunteers and staff throughout the organisation are responsible for ensuring that they are familiar with the Codes, Guidelines and procedures of the organisation, and that new staff and volunteers are appropriately inducted.

2.5 *********** will maintain several policies and procedures geared towards abuse prevention that include, but are not limited to the following topics:
• Careful selection, training and supervision of staff and volunteers
• Procedure for reporting suspected abuse
• Staff Member and Volunteer Code of Conduct

2.6 All staff and volunteers will receive an induction, which will give an overview of the organisation and ensure they know its purpose, values, services and structure. Relevant training and support will be provided on an ongoing basis, and will cover information about their role, and opportunities for practising skills needed for the work.

2.7 Training on specific areas such as child protection, identifying and reporting abuse, and confidentiality of personal information will be given as a priority to new staff and volunteers, and will be regularly reviewed.

3. What is Abuse and Neglect?
Working together 2006 provides the following definitions:

Physical abuse may involve hitting, shaking, throwing, poisoning, burning or scalding, drowning, suffocating, or otherwise causing physical harm to a child. Physical harm may also be caused when a parent or carer fabricates the symptoms of, or deliberately induces illness in a child.

Emotional Abuse is the persistent emotional maltreatment of a child such as to cause severe and persistent adverse effects on the child’s emotional development. It may involve conveying to children that they are worthless or unloved, inadequate, or valued only insofar as they meet the needs of another person. It may feature age or developmentally inappropriate expectations being imposed on children. These may include interactions that are beyond the child’s development capability, as well as overprotection and limitation of exploration and learning, or preventing the child participating in normal social interaction. It may involve seeing or hearing the ill treatment of another. It may involve serious bullying causing children frequently to feel frightened or in danger, or the exploitation or corruption of children. Some level of emotional abuse is involved in all types of ill treatment to a child, though it may occur alone.

Sexual Abuse involves forcing or enticing a child or young person to take part in sexual activities, including prostitution, whether or not the child is aware of what is happening. The activities may involve physical contact, including penetrative (e.g. rape, buggery or oral sex) or non-penetrative acts. They may include non-contact activities, such as involving children in looking at, or in the production of, sexual online images or watching sexual activities, or encouraging children to behave in sexually inappropriate ways.
**Neglect** is the persistent failure to meet a child’s basic physical and/or psychological needs, likely to result in the serious impairment of the child’s health or development. Neglect may occur during pregnancy as a result of maternal substance abuse. Once a child is born, neglect may involve a parent or carer failing to:

- provide adequate food and clothing
- shelter including exclusion from home or abandonment
- protect a child from physical and emotional harm or danger
- ensure adequate supervision (including the use of inadequate care-givers)
- ensure access to appropriate medical care or treatment

It may also include neglect of, or unresponsiveness to, a child’s basic emotional needs.

**Recognising Abuse:** abuse occurs to children of both sexes and all ages, in all cultures, religions, and social classes and to children with and without disabilities. All staff and volunteers should be alert to signs that a child may be at risk of significant harm. Some general considerations are as follows:

- Identification of child abuse may be difficult, it normally requires both medical and social assessment.
- Different types of child abuse may be present at the same time, e.g. a child who is being sexually abused may also be being physically abused. When enquiring into one type of abuse staff need to be alert to potential signs of other abuse.
- Always listen carefully to the child – pay particular attention to any spontaneous statement. In the case of children without speech or with limited language, pay attention to their signing or other means of expression, including behavior and play.
- Any delay in seeking medical assistance or indeed none being sought at all, could be an indicator of abuse.
- Beware if explanation of an accident is vague, lacking detail, is inconsistent with the injury, or varies with each telling.
- Take note of inappropriate responses from parents or carers.
- Observe the child’s interaction with the parents – particularly wariness, fear or watchfulness.
- Any history or patterns of unexplained injury/illness requires the most careful scrutiny. The fact that the parent/carer appears to be highly attentive and concerned should not divert attention from the assessment of risk.
- Beware if the child’s injury is inconsistent with the child’s development and mobility.
• Beware if there are indications of or a history of domestic violence. Violence towards adults may also indicate violence towards children and is itself be experienced as emotionally abusive.
• Children who are being abused often do not say and tend to perceive themselves as deserving of ill treatment. This is particularly so for children who are being emotionally abused.

4. **Staff Member/Volunteer Code of Conduct**

4.1 It is important that both Service users and Staff members/Volunteers can participate in ********** activities in a safe and secure environment. This Code of Conduct has been developed for the protection of both service users and Staff members/Volunteers. To this end, THE ********** expects all its Staff members/Volunteers to abide by this Code of Conduct.

4.2 Each Staff member/Volunteer:-
  a) Will abide by the aims and objectives of ********** in all activities as a ********** staff member/volunteer
  b) Will inform ********** of any relevant police record or other factor, or any change in his/her circumstances, which may make him/her unsuitable either as a ********** volunteer or for any particular ********** activity.
  c) Recognises that the role of a ********** staff member/volunteer places him/her in a position of trust with regard to all children who are service users participating in ********** programmes, ********** organisation, and to colleagues in the staff member/volunteer and staff network, and undertakes to uphold that trust at all times.
  d) Undertakes to maintain, within the organisation’s procedures, the confidentiality of any information relating to other staff member/volunteers, supporters, students or staff members made available to him/her in the course of the role as a ********** staff member/volunteer.
     i. Will not knowingly place him/herself in a situation where the Staff member/ volunteer is alone with a child or young person and will endeavour to ensure, as far as possible, that there is another adult in attendance at any meetings.
     ii. Will ensure that any ********** activities involving children outside the normal activities are agreed and approved by a committee member in advance.
     iii. Will not behave in any way, physically or verbally, that could be offensive.
iv. Remembers at all times that interactions between him/herself and service users must be such that no reasonable person observing that interaction could construe its nature as abusive.

5. The ***********’s procedures for dealing with suspected abuse of trust by staff members/volunteers:

5.1 When dealing with issues concerning abuse of trust, Committee Members must remember that the welfare of the children participating in *********** is paramount, but that we also have a responsibility to ensure that our volunteers are treated fairly and with respect. This procedure is designed to meet both those objectives. The Committee should ensure that every member is fully aware of these procedures.

5.2 The term “Child Protection Representative” is used in the following procedure to indicate the appropriate person to represent ***********.

The ***********’s nominated Child Protection Representative is:

Andrew Nonymous

5.3 The term “Support Worker” is used in the following procedure to indicate the appropriate person responsible for the welfare of the child in question.

5.4 If the allegation of abuse concerns sexual or physical abuse, do not attempt to investigate. Notify the Police and inform the child’s parent/carer.

5.5 If the allegation does not concern sexual or physical abuse and is of a minor enough nature to be dealt with locally, a meeting must be arranged for the soonest possible time between the Child Protection Representative, the Support Worker and the individual to whom the allegation has been made. If at any time the Child Protection Representative feels their knowledge or experience is inadequate to deal with the situation or allegation, they should contact the Local Authority, the numbers listed are listed in Appendix 1.

5.6 At that meeting, any notes made about the child’s disclosure should be used to ensure all relevant facts are passed on. A course of action must be agreed and the decision taken as to whom will undertake further discussions with the vulnerable person. Under no circumstances must the person who made the allegation be contacted by anyone other than the nominated person, after the disclosure has been passed on.

5.7 The Child Protection Representative and the Support Worker will then determine the appropriate process of investigation. Once an allegation has been made the investigation should be conducted swiftly and with appropriate
thoroughness. If it is deemed necessary to make enquiries of a third party, such enquiries should be conducted with discretion.

5.8 The staff member/volunteer who is the subject of the complaint must be informed of the complaint by the Child Protection Representative - though not necessarily of the identity of the person who made the complaint - and be given an opportunity to respond to it.

5.9 When interviewing the staff member/volunteer who is the subject of the complaint, it is important that this procedure is explained to the staff member/volunteer; that he/she is told that the investigation is being undertaken to establish the facts, and that any decisions will be based on the facts identified by the investigation. Explain that you will make notes of what they say to ensure you get the facts correct, but that they can see what has been written to confirm its accuracy. The staff member/volunteer must be treated with respect and allowed to state the facts as he/she knows them without interruption.

5.10 Having considered all the information available, and the views of the Support Worker, the Child Protection Representative must decide on an appropriate course of action. This decision should be communicated to the staff member/volunteer first and then, via the Support Worker, to the person who made the original disclosure.

5.11 Whatever the outcome of the investigation, the Child Protection Representative must complete a Complaints Procedure Form and return it, marked “Strictly Confidential”, to:

Independent reviewing officer, The lindens, 379 Woodborough Road, Nottingham, NG3 5GX. Tel: 0115 915 59332

6. Guidelines for Staff member/volunteers - Action to be taken if a child or young person discloses to you abuse by someone else.

6.1 If a child who is a service user approaches you about an issue of abuse of trust, you must proceed with great caution.

6.2 The Staff/Volunteer’s Code of Conduct specifies that a Staff member/volunteer should not place him/herself in a situation where he/she is alone with a service user who is a child. However, it is possible that a service user will be unwilling to make disclosures of this nature in anything but a one-to-one situation. The Service user’s needs must take priority in this situation. Ask if the service user would like someone else to be present – an adult or a friend - but if he/she declines, proceed with the interview, taking extra care with your behaviour and body language.

6.3 Before the child goes into detail, explain the consequences of you knowing and the action you will take. Assure them that you will offer support but must pass any information to another professional who may take appropriate action.
Explain that this may be the Child Protection Representative.

6.4 Keep calm and listen to the child - do not have physical contact at any time. Allow the Achiever to speak without interruption, accepting what is said.

6.5 Do not make judgements or offer opinion.

6.6 Explain again what will happen next. Find out when the child is next due to see the individual who is the subject of the complaint. (You will then be able to make a judgement as to the appropriate timing of your follow-up actions.)

6.7 If the complaint concerns a situation not related to *********** (e.g. at home or at school), refer the complaint directly to the Support Worker. Pass on all information disclosed to you by the child and then leave. All involvement by you ceases at this point.

6.8 If the complaint concerns a *********** staff member/volunteer, staff member or adult where the contact between that individual is a direct result of *********** activity, immediately inform the Child Protection Representative who will then initiate the procedure.

7. Action to be taken if you receive an allegation about yourself.

7.1 Keep calm. Do not get involved in an argument which is likely to make the situation worse.

7.2 Immediately inform your committe members. The quicker that action is taken to investigate the allegations, the sooner the situation will be resolved.

7.3 Record the facts as you understand them.

7.4 Ensure that no-one is placed in a position which could cause further compromise. Do not contact another agency involved with the child or young person concerned.

7.5 Await further contact from a committee member.

8. Action to be taken if you suspect an abuse of trust has occurred

8.1 Discuss your suspicions with the committee member.

8.2 Record the facts which support your suspicions

8.3 You may be asked to attend a meeting of the Child Protection Representative and the Support Worker who has regular contact with the child or young person involved.

8.4 Once your suspicions have been passed on to the appropriate person, you should have no further involvement.

8.5 Whatever the nature of the complaint, it must be kept confidential. You must not discuss the disclosure with any individual or party other than those identified in the above procedure.
COMPLAINTS PROCEDURE FORM

Date: _______________
Nature of Complaint: (please give brief description of complaint)

Name and contact number of Child Protection Representative

Staff member/volunteer against whom complaint has been made:

Their Job role:

Name and Address of organisation involved

Name and contact number of Support Worker involved:

Name and contact number of investigating Committee Member:

Their Job role:

As a result of the investigation, was the complaint upheld?

Action(s) taken:-

Signed _________________________  Job Role _______________________________

In the event of a complaint of abuse of trust, this form must be completed and returned regardless of whether or not the complaint is upheld.
Complaints Procedure Form Appendix 1

Key Contacts

Getting in touch with Social Services

Contact your local office or arrange for someone to do this for you. When you contact us you will be able to discuss your situation in confidence with a member of staff.

Our offices are open from 8.30am to 4.50pm Monday to Friday. Outside these hours, our Emergency Duty Team is in operation but can only deal with emergencies or crises which cannot wait until the next working day.

Where to get in touch with the Social Services Department

To make it easier to contact Social Services, all our social work teams have the same phone number which is 0115 915 5500. If you know who you want to speak to, the switchboard operator will put you through. If you don’t, they will help to find a ‘Duty Social Worker’ in the right office.

Headquarters (please note that no there are no social work teams based here):
FIND YOUR OWN CONTACTS!
Social Services Offices

Support after Adoption

Emergency Duty Team (only for crises)
APPENDIX 6: MULTISTAKEHOLDER CO-OPERATIVE
(SOMERSET RULES)
Amended for common ownership, and with only user members having voting rights Registered under the Industrial and Provident Societies Acts 1965-1978

1. Open and voluntary membership of the co-operative
1.1. The name of the co-operative is: ________________________________
1.2. The registered office of the co-operative is at: ______________________

1.3. The objects of the co-operative are to carry on any industry, business or trade in accordance with co-operative principles in order to achieve this mission:

____________________________________________________________________

and the aims described in 1.4, 2. 1, 3. 1, 4. 1, 5. 1, 6.1 and 7.1 below.

1.4. The co-operative has the aim of building membership within its stakeholder groups, and ensuring that its membership fully reflects the diversity of those groups and of the wider community.

1.5. Classes of membership
a) The membership of the co-operative will be made up of persons drawn from one or more categories of stakeholder, corresponding to the different type of involvement those stakeholders have with the co-operative.

b) User members, who are the main beneficiaries of the co-operatives services and have only limited access to profits, play the principal role in the direction of the co-operative. Non-user members are subject to limits on their powers.

c) Each class of share will be available to particular stakeholders and may have distinct rights and powers. The co-operative will convene a consultative meeting of the members in a class if requested to do so by five or more of those members; such a meeting shall have no decision making powers.

d) A person or organisation that has membership under more than one class will be requested to withdraw, cancel or transfer shares such that they have membership in one class only. If after three months this has not been done, the secretary may cancel the minimum number of shares necessary in order to ensure compliance.

e) Each class has a unique number, and where a person would be eligible to join in more than one class, membership will be allocated to the lowest numbered class that they are eligible for, unless the committee specifically permits otherwise.
f) The user membership classes are as follows
   Users of the co-operative’s services residing in       4
   Employees and volunteers                     3
   Tenants of the co-operative                    2

g) The non-user membership classes are as follows:
   Investors                                 1

1.6. Applications for membership
   a) The co-operative is open to applications for membership in the appropriate class without discrimination, subject to
      i. the willingness of the applicant to take on the responsibilities of membership that have been agreed by the committee,
      ii. completion of any application procedure that may have been agreed by the committee, which may include a reasonable probationary period
      iii. the right of the committee to refuse membership where it believes there is good reason to do so.
   b) The minimum shareholding for membership in each class will be specified from time to time by the committee, and will not exceed 50 for user members.
   c) The maximum shareholding for any person is 50,000, or the maximum permitted by law, whichever is lower. Non-transferable shares may be allotted by the committee, as described above, subject only to this limit. Transferable shares may only be allotted by the committee in accordance with a resolution passed at a general meeting.

1.7. Withdrawal and transfer of shares
   a) Classes of shares numbered ________ are withdrawable. Requests for withdrawal must be made in writing to the Secretary. Withdrawals will be made in the order in which the requests were received. Rights of withdrawal may be suspended, either for a fixed period of time or indefinitely. Withdrawable shares may be reduced in value by the committee in the event that independent accountants certify that the co-operative’s liabilities, plus issued withdrawable share capital, have become more than the value of its assets.
   b) Shares held by non-user members in classes numbered are transferable. Transfers will be registered on receipt of a completed deed of transfer, provided that the transferee is eligible for membership in that class. The committee may refuse to register the transfer of a share to a person of whom they do not approve.
   c) Non-transferable shares are par shares priced at £ 1, with no possibility of
exceeding that value.

d) Shares may be converted between classes on request at the discretion of the committee, provided that the holder of shares is eligible for membership of the class to which they are transferring.

e) All issues and transfers of shares are subject to the limits and regulations imposed by law; the committee will obtain independent, expert advice before making any issue of shares.

1.8. Cancellation of membership

a) In the event that any member has a debt owing to the co-operative, the co-operative may set off any sum standing to the member’s credit including any loan money, interest, dividends. It may also retain shares, preventing withdrawal or transfer, until the debt has been settled.

b) Membership of the co-operative will be cancelled under the following circumstances:

i. at the discretion of the committee, if a year has elapsed during which the member would not have met any criteria for membership that were in force at the time that they joined;

ii. on receipt of a written request by the member for the cancellation of their own membership;

iii. if, over a period of two years, reasonable attempts to communicate with the member (including a written warning that membership may be cancelled if no response is received) elicit no response.

iv. if the member is a corporate body, and has been wound up, has gone into liquidation or has otherwise ceased to function according to its own rules;

v. if the member is expelled. The member in question must be given written warning, and sufficient time to prepare an appeal to a general meeting or the Commonwealth Council. An expulsion requires a special resolution at a general meeting, in which neither the member in question nor any member of their family may vote. Following such a vote, the expelled member may not be readmitted to any class of membership without a further resolution at a general meeting.

vi. if the member dies.

c) If a holder of withdrawable shares has their membership cancelled, and rights of withdrawal are suspended, then they will be issued the equivalent amount of loanstock with a closing date no more than two years from the date of cancellation.

1.9. Members may in accordance with the law nominate an individual or individuals to whom the full value of their property in the co-operative should be transferred in the event of the co-operative receiving proof of the member’s
death. If there is no nominee, then all property held by a deceased member shall be transferred to their personal representative upon request. The co-operative will also transfer property in the co-operative held by a bankrupt member to their trustee in bankruptcy upon receipt of a valid claim.

1.10. A register of members is kept at the registered office, and will include:
   a) the name and address of every member;
   b) the number and class of shares held by each member;
   c) any loans or other property held by members;
   d) the date on which the member’s name was entered on the register, and the date on which they ceased to be members;
   e) the names and address of committee members and officers of the co-operative, the positions held by them, and the dates on which those appointments began and ended.

2. Democracy

2.1. The co-operative has a general aim of consulting with, empowering and serving its membership.

2.2. The sovereign body of the co-operative is the general meeting, which will appoint a committee to manage the co-operative, and may convene a Commonwealth Council to provide oversight.

2.3. The business of the general meeting and committee is governed by such standing orders as may be adopted by a general meeting; these will remain in force until they are amended or repealed by a general meeting. Such standing orders may not contradict these rules but may allow for the taking of a vote (other than a vote on procedure) to be deferred to allow for the development of consensus.

2.4. Where shares are held by an organisation (incorporated or unincorporated), its rights will be exercised by a person who is nominated by that organisation in accordance with their rules. That person will cease to do so if for any reason that nomination is no longer sustained by the member organisation.

2.5. The committee will appoint a Secretary and a Treasurer, unless an appointment has been made by a general meeting.

2.6. General meetings

   a) Within each class of membership, voting at general meetings is on the basis of one member, one vote.

   b) General meetings will be convened by the committee as follows:

      i. Annual General Meetings, held within six months of the close of the co-operative’s financial year;

      ii. at the request of the Commonwealth Council;
iii. at the request of 20 per cent of the membership (rounded up), 30 per cent of the membership in any one class (rounded up), or twenty members;

iv. in the event of the number of elected committee members falling below three, or in the event that more than one quarter of the committee members are not user members;

v. in the event that the committee fails to secure the appointment of a secretary and a treasurer;

vi. at any other time deemed appropriate by the committee.

c) All members, and any auditor or accountants appointed by the co-operative, will be notified of the time and place of the general meeting in writing to their registered address or (where the member has expressly consented) by electronic communication, no less than fourteen days before the date of the meeting. The notice must inform members how to propose resolutions and stand for election. This rule may be waived only with the consent of all members.

d) If a resolution is to be proposed at a general meeting that under these rules or the law would require more than a majority of votes to pass, its content must be available to members on request no less than seven days before the general meeting.

2.7. Resolutions at general meetings

a) All members have the right to propose resolutions.

b) Votes will be conducted on a show of hands; at any point during the general meeting, any member may request that the result of any vote be verified with a count.

c) Resolutions require a clear majority of the vote to be in favour to pass, except as follows:

i. resolutions requiring the committee to be elected when there are enough vacancies for all members; requiring the committee to draw up and/or publish policies regarding investments, co-operative dividends, equal opportunities, health and safety and social responsibility; or requiring a co-operative council to be convened; require only a third of the vote or more in order to pass.

ii. resolutions to expel a member require two thirds of the vote to pass.

iii. resolutions to change the conditions attached to shares; amend the rules; give the committee the power to allot transferable shares (which must specify a period of time after which it will lapse, and limits to the number of shares that may be allotted); or to wind up, dissolve or convert the society (on which only user members may vote); require three quarters of the vote to pass.
iv. resolutions specified otherwise in law.

d) If there are fewer than three members in any class of user membership, then the voting strength, expressed as a percentage of the voting strength of user members, of each class will be the proportion of user members in that class. Otherwise it will be fixed as follows:

<table>
<thead>
<tr>
<th>class number</th>
<th>% voting strength (totalling 100%)</th>
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<tbody>
<tr>
<td></td>
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</tbody>
</table>

Non-user members shall have no voting rights in general meetings.

e) Members in each class have a choice of methods of casting their votes:

i. convening a meeting of members in that class prior to each general meeting of the co-operative and agreeing how to cast their block vote on each resolution to be decided. The size of the block vote for each class would be as specified in 2.7 (d).

ii. voting individually at each general meeting, with the strength of each vote reduced proportionately if there would otherwise be more votes cast by that class than the limits in 2.7 (d) permit. Where no preference has been expressed, this is the default.

2.8. Committee of management

a) The maximum number of committee members is twelve, and the minimum number is three.

b) For so long as the number of user members is less than ten, all user members will be automatically appointed to the committee unless they decline to accept the appointment, and 2.8 (c) will not apply. If a resolution is put to a general meeting to suspend this rule, and require all candidates to be elected according to 2.8 (c), it will require one third of the vote to be passed.

c) At annual general meetings, some or all committee members will resign and face re-election. The first annual general meeting shall determine whether at that and all subsequent annual general meetings

i. all committee members will resign, or

ii. half of the committee, being those who have served longest, will resign, or

iii. a third of the committee, being those who have served longest, will resign.

This decision may be altered by resolution at any general meeting.

d) All members have the right to stand as candidates, and to nominate candidates that are willing to stand. Resolutions to elect each candidate
nominated in accordance with standing orders to the committee will be voted on in turn until there are no vacancies remaining. Candidates will be voted on in order of number of nominations received, or otherwise as specified in standing orders.

e) No one can serve on the committee if they:
i. have resigned in writing to the secretary
ii. are not a member, or the nominated representative of a member organisation
iii. are removed from office by a resolution passed by a general meeting
iv. fail to attend three consecutive meetings without adequate explanation
v. commit fraud, or any act of financial impropriety, or failed to disclose when standing for election any previous offence of this type.
vi. are bankrupt or otherwise prohibited by law from acting as a director of a company or society

f) The committee may also appoint other officers in addition to the Secretary and Treasurer, and form subcommittees, as it sees fit, and in accordance with any standing orders. Officers shall have the powers and duties specified by law and by the committee, and may be removed by the committee.

g) Committee members and officers may be reimbursed for any expenses incurred in the course of carrying out their duties. Committee members and officers may be paid wages, but only for services actually performed for the co-operative, and in accordance with a pay policy adopted by the committee.

2.9. Quorum

a) No business will be transacted at any meeting unless a quorum is present. A quorum is present if
i. there are three or more user members present; and
ii. one tenth of the members in each class (this figure being rounded to the nearest whole number, and no more than ten) are present.

b) A quorum is present at a committee meeting if three committee members are present.

3. Application of Profits

3.1. The co-operative has the general aims of creating common wealth, building an indivisible reserve and providing a return on investment no more than is necessary to attract and retain the capital it requires.

3.2. The co-operative may borrow funds up to a maximum of £ 10,000,000 and may issue debt securities provided that this does not amount to receiving
money on deposit. Any interest paid on funds borrowed from members or private individuals will not exceed 3% above the base lending rate of the co-operative’s bankers. The co-operative will not transfer assets for less than full consideration, except for the purposes specified in 3.3 below.

3.3. Application of annual profits

Profits of the co-operative will be applied as follows:

a) no less than 50% of profits will be transferred to a general reserve for the continuation and development of the co-operative, and for making payments for social or charitable purposes;

b) to pay co-operative dividends to user members, on the basis of an equitable policy that recognises each member's contribution to the co-operative’s business during the period in which the profit was generated and which may make allowance for such relevant factors as length of membership;

c) to pay interest on members’ shares and investments at a rate not exceeding 3% above the base lending rate of the co-operative’s bankers from time to time.

d) No amendment to these rules will be made that could result in the percentage in 3.3 (a) being reduced, or the interest rate in 3.3 (c) being increased.

3.4. Division on dissolution

In the event of the winding up or dissolution of the co-operative the assets of the co-operative will first, according to law, be used to satisfy its debts and liabilities. In the event that any assets remain to be disposed of after its liabilities are satisfied, these assets will be applied as follows:

a) first, the residual assets will be distributed amongst the holders of withdrawable shares in proportion to the shares each holds within the co-operative at the time of dissolution, up to a maximum of the par value of the shares (unless their value has been reduced under rule 1.7 (a), in which case the limit is this reduced value);

b) second, holders of other shares will be paid their par value if sufficient funds are available, and in proportion to their holding if not;

c) third, the remaining assets will be transferred to a common ownership enterprise(s), or to an asset locked organisation(s) supporting common ownership enterprises or other objects of the co-operative, as may be nominated by the members at the time of or prior to the dissolution. If no such organisation is nominated, the assets will be transferred to Co-operatives UK Ltd (registered number I P027083 R).

d) In the event that for whatever reason any residual assets cannot be transferred as described above, they will be given for charitable purposes.
e) No amendment to the rules will be made that could reduce the amount of assets transferred under 3.4 (c), or allow for their transfer to an organisation with no asset lock.

4. Autonomy and independence

4.1. The co-operative has the general aims of maintaining its autonomy and independence and empowering members and other stakeholders at the most local level possible.

4.2. Non-user members may not vote on any proposal to convert the co-operative to a company.

4.3. Withdrawable shares or debt securities will not be issued, or loans received, if it would result in one natural person holding more than a quarter of all withdrawable share capital, or of all debts.

4.4. Proxy voting at general meetings will be permitted on special resolutions and on other resolutions that have been given in full with the notice for the general meeting, provided that it is in accordance with standing orders for general meetings.

4.5. Outside interests on the committee

   a) If, following a general meeting, the number of committee members is less than the maximum, other persons may be co-opted by the committee to fill vacancies. No one may be elected or co-opted to the committee if doing so would result in user members forming less than 75% of the committee.

   b) Any committee members that have been co-opted to the committee will resign or stand for election at the next available general meeting.

   c) All committee members will, on taking office, indicate in a register of interests any material interests they have, or positions that they hold in other organisations, that might cause conflict with the objects of the co-operative. All committee members will declare any such conflict of interest that they have in respect of any business before the committee and will not vote in respect of that matter unless

      i. the conflict is shared with a majority of committee members, or
      ii. the Commonwealth Council determines that the interest will not lead to significant conflict.

4.6. The committee will regularly review all contracts and undertakings to ensure that the co-operative continues to be controlled by its membership.

4.7. Key decisions

   a) The committee, on behalf of the co-operative, may make any contract, and carry on any activity, that is within the law and in the opinion of the committee, may benefit the co-operative’s objects, including the contracting
of loans and debt securities and the investment of funds. However, the following issues are designated ‘key decisions’:

i. The sale, transfer or disposal of assets worth in excess of £250,000 in a single transaction.

ii. The adoption of budgets and business plans covering a period of 12 months or more (except that the committee members may proceed to implement a budget or business plan if, in their opinion, prolonged consultation could be damaging to the business)

iii. the purchase of more than 20% of the shares in another business

iv. a mortgage or charge on its property with a value in excess of £100,000

v. issuing loanstock, debentures or other securities with a value of more than £50,000

vi. setting up subsidiary companies, societies and other organisations

vii. setting dividend and interest rates, borrowing in excess of £250,000, or at rates exceeding 2% above the lending rate of the co-operative’s bankers.

viii. setting the proportion of profits to retain in the co-operative

ix. significantly altering the terms and conditions of employees, or making compulsory redundancies

x. Adoption or substantial alteration of the policies on membership applications, co-operative dividends, pay, investments, health and safety, equal opportunities and social responsibility.

b) Any key decision that is authorised by a resolution at a general meeting may be implemented immediately without further consultation. If no such resolution is passed, then

i. If a Commonwealth Council (see 6.7 below) has been convened, key decisions must be brought to its attention no less than two weeks before they come into effect; and if a majority of the Commonwealth Council request further consultation, the proposal may not be enacted until the committee and the Commonwealth Council both have a majority in favour.

ii. If a Commonwealth Council has not been convened, then notice of the key decision must be brought to the attention of the membership by means of a public notice, electronic communication or other communication likely to be received by most members in sufficient time for a general meeting to be called by the members (in accordance with 2.6 b) before the decision comes into effect.
5. Education

5.1. The co-operative has a general aim of educating its members and the public in the principles of co-operation.

5.2. Public identity

a) The co-operative will mention its registered name in legible characters in all notices, advertisements and other official publications, in all business letters, and in all invoices and receipts. If the registered name does not include the word ‘co-operative’, then in all the co-operative’s official publications, the co-operative will clearly identify itself as either a co-operative, democratic social enterprise, or community enterprise.

b) At least once a year, the co-operative will provide at least one communication to its members that either lists the co-operative principles, profiles other co-operative bodies, or advises members how they can become more involved in one or more other co-operatives.

c) The co-operative’s accounts will separately identify

i. total expenditure each year directly relating to education and promotion of co-operation, and

ii. expenditure made for charitable or non-trading purposes relating to the co-operative’s objects.

5.3. Provision of information

a) A copy of these rules, and any amendments made to them, will be given free of charge to every member on admission or on request. The committee will accommodate any reasonable request to explain or clarify the meaning of the rules, and justify its interpretation of them.

b) The following information will be recorded, retained and made available at no charge to members

i. agendas and minutes of general meetings, committee meetings and Commonwealth Council meetings

ii. quarterly management accounts (unless the annual turnover of the co-operative is below £ 10,000)

iii. annual returns

iv. job descriptions and contracts of employment of staff employed

v. documents relating to the member making the request

vi. other documents with the agreement of the committee. If the committee refuses such as request, it must explain what reason it has for withholding the information.

c) No information will be provided to a member or any other person, or made available for general viewing, that would disclose details of the financial
transactions of another member with the co-operative, other than with their permission.

5.4. Presentation of accounts

a) During each financial year, the co-operative will appoint a person qualified to the standard required by law who is neither a member nor an employee of the co-operative to audit the Co-operative’s accounts and balance sheet for the year.

b) The committee will appoint such a person whenever a vacancy arises, and the appointment will be confirmed at the next available general meeting, and at every annual general meeting.

c) If the law permits the co-operative to be exempted from the obligation to appoint a qualified auditor, the general meeting will consider a resolution to apply the exemption each year. Such a resolution will be passed only if 80 per cent of votes are in favour, and less than ten per cent against.

d) If the accounts, any social accounts as specified in 7.2, and any accompanying report from the auditor or social reporting panel are not available at an annual general meeting, or they are not accepted by a general meeting, another general meeting will be called within two months to consider them.

6. The wider co-operative movement

6.1. The co-operative has the general aim of supporting the development and growth of the co-operative movement.

6.2. In preparing contracts for the purchase of goods and services larger than £1,000, the committee should ensure that other co-operative enterprises are given a reasonable opportunity to bid alongside other potential suppliers.

6.3. If the liquid assets and investments of the co-operative exceed £10,000, the committee will prepare a policy on investments, which includes a process for identifying and considering investment in other co-operatives, and ethical criteria for all investments relevant to the objects of the co-operative.

6.4. The committee has the power to make any investments it considers prudent, subject to any policy on investments that may be in force.

6.5. A designated person should have overall responsibility for relations with the wider co-operative movement, and should maintain contacts with national and regional co-operative organisations.

6.6. No agreement will be entered into with any enterprise, co-operative or otherwise, that would have the effect of exploiting a monopoly or other dominant market position to the detriment of members, customers or suppliers.
6.7. The Commonwealth Council

   a) The Commonwealth Council may be convened by the committee, or by a resolution at a general meeting that secures one third of the vote. Until such time as it is convened in this way, its functions are carried out by the committee.

   b) The common wealth council will be free to consider any matter affecting the co-operative, and may challenge or express a view to the committee members on any matter, and may summon any employee or officer of the co-operative to attend their meetings and answer questions relating to the business of the co-operative.

   c) The size and procedures of the Commonwealth Council will be determined by its standing orders, which will be prepared by the committee but may then be amended by the general meetings.

   d) Invitations to apply for membership will be issued to the following groups, unless they are specifically excluded by a resolution of the general meeting:
      i. Those eligible for membership under 1.5 (f) and 1.5 (g);
      ii. Employees, volunteers, service users, and investors;
      iii. Anyone who was previously a member of the co-operative within the last five years;
      iv. Any co-operative that may be considered relevant due to geography, similarity, common membership or trading relationship;
      v. Suppliers and customers that may be held to have a long standing relationship with the co-operative; and
      vi. Communities in which the co-operative is located.

   e) Applications for membership will be considered by the Commonwealth Council (or by the committee, if the Commonwealth Council has yet to be formed) according to the standing orders in force, subject to the requirements that
      i. the process of selection for membership of the Commonwealth Council should be fair, transparent, and non-discriminatory; and
      ii. members of any one group listed in 6.7 (d) should not have a majority of votes on the council.

   f) In the event of any dispute between members of the co-operative, a sub-committee of the Commonwealth Council may be formed and may require the disputants to make reasonable efforts to attend. If the disputants request arbitration from the Commonwealth Council, it will provide a ruling in accordance with its standing orders. If for any reason this process does not resolve the dispute, then if the disputants are agreed it may be referred to the County Court (or in Scotland, the Sherriff).
7. Sustainable development

7.1. The co-operative has the general aim of evaluating its impact on the community and the environment in which it operates, and developing policies that reduce harmful impacts and increase positive impacts.

7.2. Social accounts

a) The committee is responsible for preparing annual social accounts. These will consist of quantitative and qualitative data relating to the agreed indicators of achievement. They should cover, and clearly distinguish between, outputs (what the co-operative has done), outcomes (what the direct effects of this have been) and impacts (what indirect changes can be reasonably attributed to the co-operative’s activities in this and previous years).

b) The indicators used should clearly correspond to the aims and objects in these rules, and should allow where possible for comparison with other accounting periods.

7.3. Social accounting panel

a) At least one month before being presented to the annual general meeting, the social accounts will be verified by a social accounting panel which will consider
   i. to what extent the accounts are comprehensive
   ii. whether the information gathered is reliable and reasonably interpreted
   iii. whether the indicators used should be changed in order to better correspond to the aims and objects of the co-operative
   iv. whether the aims and objects of the co-operative remain relevant or require modification

b) The panel should be chaired by an independent, qualified social auditor, unless a general meeting allows for the current or following year’s social audit panel to be
   i. chaired by a lay social auditor, or
   ii. chaired by a member of the co-operative, in which case the chair of the panel may not be a committee member, unless more than half the members of the co-operative are committee members.

c) The panel will be made up of members of the co-operative nominated by the commonwealth council. If the membership of the co-operative is more than 20, there will be at least three members of the panel in addition to the chair.
Why set up a Social Centre?

We live in a society of atomised, alienated individuals, rendered powerless by the grind of work, consumption and ever present authority. Opening and running a social centre can open up endless possibilities to change this situation, creating a sense of community and helping us wrest back control over parts of our lives.

This booklet has been compiled to promote the idea of opening and running libertarian social centres in the UK. Spaces run in a non-hierarchical grassroots manner, in order to socialise, pool resources and base projects; all in the spirit of mutual aid, co-operation and do-it-yourself.

The focus is on co-operative social centres - those owned and controlled either by people who use them, people who work in them, or both. Squatters and renters will also find much useful information.

For more information or to find out what else we do please get in touch:

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