

# A Good Governance Charter for Housing Co-operatives



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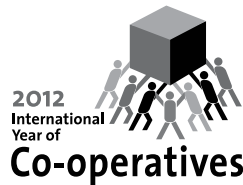


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## A Good Governance Charter for Housing Co-operatives

As the elected governing body of our housing co-operative, we are committed to providing good governance and principled leadership. To this end, we commit to these good-governance practices:

1. We uphold the international co-operative principles.
2. We act with honesty and in good faith, placing the interests of the co-operative before all others.
3. We exercise care, skill and diligence in carrying out our duties.
4. We act fairly, making decisions without bias or favouritism.
5. We foster democracy within our co-operative.
6. We act transparently, in a spirit of openness and accountability to the membership.
7. We ensure that our co-operative fulfils its legal duties.
8. We provide for sound, accountable management of our co-operative.
9. We have a strategic focus, always looking ahead to our co-operative's future.
10. We plan for leadership succession and renewal.



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This is what we understand our commitments to mean:

**1. We uphold the international co-operative principles.**

The international co-operative principles, as set out in the International Co-operative Alliance's Statement on the Co-operative Identity, give expression to co-operative values and set us apart from all other forms of business enterprise. The principles appear at the end of this charter.

**2. We act with honesty and in good faith, placing the interests of the co-operative before all others.**

As members of our co-operative's governing body, we owe our first duty to the co-operative. Where we have a particular personal interest in a matter, we will declare our conflict and remove ourselves from the discussion and decision. We place the interests of the co-operative itself before the interests of its members as individuals.

**3. We exercise care, skill and diligence in carrying out our duties.**

We are diligent in the exercise of our duties. We stay informed and act prudently and to the best of our ability in overseeing our co-operative's business affairs. We pay attention to our co-operative's needs and take action, as required, to protect its interests. We regularly evaluate our individual and collective performance.

**4. We act fairly, making decisions without bias or favouritism.**

We make decisions based on the rules our co-operative has adopted and the principles that underpin them, without bias or favouritism. We value consistency, neutrality and fairness in dealing with our members, including members with whom we have a personal connection. We respect the diversity of our community and recognize the equality of all our members.



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## **5. We foster democracy within our co-operative.**

We respect and promote the democratic control of our co-operative by its members. We give the members the information they need to make sound decisions and set the co-operative's direction. Our members choose the co-operative's leaders in free, open and fair elections. Any member who qualifies may stand for election. We are committed to the education and participation of our members in the democratic life of the co-operative.

## **6. We act transparently, in a spirit of openness and accountability to the membership.**

We are accountable to the members for our performance as a governing body. We report to them on our conduct of the co-operative's business at regular membership meetings. We conduct our business in a spirit of openness and transparency, while respecting the privacy of our members and employees. We listen to what members have to say and we share with them any decisions that affect the membership, or a class of members, as a whole. We strive to maintain a high standard of service to our members and we respond promptly to any questions they have for us.

## **7. We ensure that our co-operative fulfils its legal duties.**

We keep our co-operative in good standing by knowing and following all applicable laws and regulations. We respect the terms of all agreements we have entered into, whether with government or with non-governmental entities. We comply with our co-operative's governing documents and with all obligations to members under the lease, rental or other agreements that grant them occupancy rights.

## **8. We provide for sound, accountable management of our co-operative.**

We see to it that our co-operative is managed with the skill needed to complete all management tasks, including financial management and the upkeep and renewal of our property. We set clear management goals and priorities. We hold our management personnel to account and regularly evaluate our management's effectiveness.



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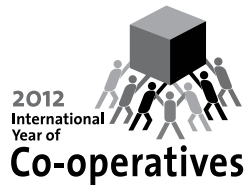
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## 9. We have a strategic focus, always looking ahead to our co-operative's future.

Through strategic planning, we provide for the long-term success of our co-operative and the achievement of its mission. We plan for the sustainability of our property, our finances and our co-operative community. We share our strategic plans with the members and invite their opinions.

## 10. We plan for leadership succession and renewal.

Continuity of good governance is important to us. We ensure the stability and renewal of our governance through an active nomination process before elections, and by offering our members and leaders training in the practices of good governance. We seek to draw young members into our leadership and we take pride in seeing the diversity of our membership reflected in this governing body.



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## ICA Statement on the Co-operative Identity

As the governing body of this co-operative we commit to the ICA Statement on the Co-operative Identity, which follows.

### Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

### Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

### Principles

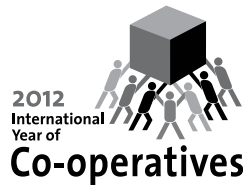
The co-operative principles are guidelines by which co-operatives put their values into practice.

#### **First Principle: Voluntary and Open Membership**

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

#### **Second Principle: Democratic Member Control**

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.



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### **Third Principle: Members' Economic Participation**

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

### **Fourth Principle: Autonomy and Independence**

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter to agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

### **Fifth Principle: Education, Training and Information**

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public—particularly young people and opinion leaders—about the nature and benefits of co-operation.

### **Sixth Principle: Co-operation among Co-operatives**

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

### **Seventh Principle: Concern for Community**

Co-operatives work for the sustainable development of their communities through policies approved by their members.

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The **CO-OPERATIVE HOUSING FEDERATION** of *Canada*



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