

ICA Housing IYC Good Governance Project

Good Governance Charter for Boards of Directors of Housing Co-operatives

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As the elected board of directors of this housing co-operative, we are committed to providing good governance and principled leadership. To this end, our board, as one, and its members individually, commit to these good governance practices:

1. We know and follow 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 as directors.
4. We act fairly and without preference or prejudice in making decisions.
5. We foster true 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 fulfills its legal duties.
8. We provide for sound, accountable management of the co-operative and its property.
9. We have a strategic focus, always looking ahead to the co-operative's future.
10. We plan for the succession and renewal of the board.



This is what we understand our governance charter commitments to mean:

1. We know and follow the international co-operative principles

The international co-operative principles 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. We are guided by the values statement from the International Co-operative Alliance's Statement on the Co-operative Identity:

“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.”

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

As members of a co-operative governing body, our duty to our co-operative must come first. If we have a particular personal interest in a matter, we 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 individually.

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

We strive to be diligent in our duties of co-op governance. We keep informed about our co-op's business. We act prudently and to the best of our ability in overseeing the co-op's affairs. We pay attention to our co-op's needs and take action, as required, to protect its interests. We evaluate the performance of the board and its members.

4. We act fairly and without preference or prejudice in making decisions.

We make decisions based on the rules that apply in our co-op and the principles that underpin them, without bias or preference. We value consistency, neutrality and fairness in dealing with our members, including members with whom we may have a personal connection.

5. We foster true democracy within our co-operative.

We respect and support the democratic control of our co-op by the members (*optional addition for primary co-ops: on the principle of one member, one vote*). We give the members the information they need to make good decisions and set the co-op's overall direction. Our co-op's members choose the board of directors in open, democratically run elections. Any member who qualifies can stand for election to the board. We are committed to the education of our members in the principles of democracy as they apply to our co-op.



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

We are accountable to the members and we report to them on our conduct of the co-op's business at regular membership meetings. Some business matters are confidential and we must protect our member's privacy. But otherwise we conduct our business in a spirit of openness and transparency. We listen to what members have to say and are careful to share with them any decisions that affect the members, or a class of members, as a whole. We respond promptly to any questions the members have for us.

7. We ensure that our co-operative fulfills its legal duties.

We keep our co-op in good standing by knowing and following all applicable laws and regulations, including the legislation under which we are incorporated. Where we have entered into agreements and contracts, whether with government or with a non-governmental entity, we respect the terms of those agreements. We comply with our incorporation documents and with our obligations to our members under the lease, rental or other agreement that grants them occupancy rights.

8. We provide for sound, accountable management of the co-op and its property.

We make sure that our co-op is managed with the skills needed to complete all property management tasks, including financial management and the upkeep and renewal of our properties. We set clear management objectives and priorities and hold management to account through regular reporting on and evaluation of management activities and outcomes.

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

We provide for the long-term sustainability of our co-operative and its mission through a strategic planning process based on our co-operative values. We plan for the sustainability of our property, our finances and our co-op community. We report on our strategic planning to the members and invite their opinions.

10. We plan for the succession and renewal of the board.

Continuity of good governance is important to us. We ensure the stability and renewal of our governance through an active director nomination process leading up to elections, and by offering members and directors training in governance. We strive to draw young members into our leadership and we place a priority on gender balance in identifying nominees for governance positions.



The International Co-operative Principles

The board of directors of this co-op is committed to upholding the seven international co-operative principles. We interpret the principles according to the ICA Statement on the Co-operative Identity:

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.

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.