

THE MIDCOUNTIES CO-OPERATIVE LIMITED

MEMBER ENGAGEMENT COMMITTEE

(the “Committee”)

Terms of Reference

1. Purpose

The Committee is responsible for influencing and reviewing the member engagement strategy set by the Board and being implemented by management within the Society, working closely with the Society’s membership team and the Board. As a committee of the Board, it operates within the strategic policy direction established by the Board and is directly accountable to the Board.

2. Inception

The Committee was established by a resolution of the Board dated 4 July 2007. These terms were approved by the Board on 8 March 2008.

Revisions were approved on 29 July 2009, 6 March 2010, 3 July 2010, 26 July 2010, 3 September, 13 April 2015, 6 February 2017, 17 June 2017, 24 March 2018, 12 May 2018, 2 September 2019, 5 October 2019, 4 November 2019, 23 January 2021, 8 March 2021 and 30 July 2022.

3. Membership

3.1. The Committee is made up of:

- a. 9 members of the Society, elected from the Society’s membership
- b. 3 young members of the Society, elected from the Society’s membership
- c. 2 members of the Board, appointed by the Board.

3.2. For the purpose of these terms of reference, a “young member” is defined as a member of the Society under the age of 30 at the time of their nomination. Vacancies in the young member constituency cannot be filled by members who do not meet this age requirement.

3.3. Terms of office for elected members are 3 years (for both 3.1.a and 3.1.b).

3.4. Transitional arrangements apply to the Committee’s election process in 2021. The details of those arrangements are set out in Board minute 21/36.4. Those

transitional arrangements relate to the number of vacancies and term of office for young members elected to the Committee at the 2021 election.

- 3.5. Excluding members of the Board appointed at 3.1.c who may be colleagues, no more than 4 members of the Committee can be colleagues of the Society. For a transitional period of three years from October 2021, ending on the day of the 2024 Committee election results, where all 3 elected young members are colleagues of the Society, the total number of members of the Committee who can be colleagues (excluding Board members) will be increased to 5.
- 3.6. To serve on the Committee individuals must have been a member of the Society for at least 6 months prior to the close date of the relevant election. Additionally, and as set out in the Society's Rule 16.3, to be eligible to be nominated for election, they (or their partner, or a member of their household with whom they are financially interdependent) must have spent at least £250 with the Society in the 12 month period finishing one month prior to their nomination. This rate of purchases must be maintained during their service on the Committee.

Any member who ceases to meet this level of spend shall immediately cease to be a member of the Committee.

- 3.7. Should a member miss two or more consecutive meetings of the Committee, the Committee has the right to recommend to the Board the removal of the member from the Committee, and the Board has the right to determine whether the member should be removed.
- 3.8. Casual vacancies on the Committee shall not be filled until the next election save for the following:

In the event that a casual vacancy arises on the Committee during the election 'period' (defined as from the opening of nominations to the closing date of the ballot), the candidate receiving the next highest number of votes will automatically be co-opted onto the Committee in a non-voting capacity. The co-option will run until the next Committee elections.

Should that candidate not wish to be co-opted, the Board can, if it so wishes, co-opt the unsuccessful candidate with the second highest number of votes, etc. If no such candidate is available or willing to be co-opted, then the casual vacancy will remain unfilled. The co-opted position will be non-voting and will last till the next Committee/Board elections.

- 3.9. There shall be no age rule for Committee members.

4. Chair

- a. The Committee shall elect a Chair and Vice-Chair on an annual basis.
- b. The Chair cannot be a colleague of the Society.
- c. If the Chair or Vice-Chair is absent from a meeting, the Committee shall appoint a chair for the meeting.
- d. The Chair of a meeting shall have a casting vote.

5. Secretary

The General Manager responsible for membership (or their nominee) shall act as the secretary to the Committee.

6. Quorum

The quorum shall be half the number of members on the Committee (rounded up to the nearest whole number where required), the majority of whom cannot be colleagues of the Society.

7. Meetings

- a. The Committee will hold at least 4 scheduled meetings a year. Other meetings will be held as required.
- b. The agenda and papers for each meeting will be circulated 10 working days prior to each meeting.
- c. To help the Committee with its deliberations, senior members of the Society's Membership Team shall attend meetings of the Committee.

8. Fees and expenses

Members of the Committee will be paid fees as determined by the Board and approved by members of the Society from time to time. Reasonable expenses shall be reimbursed to Committee members.

9. Duties

9.1 The Committee is responsible for influencing and reviewing the member engagement strategy set by the Board and being implemented by management and is appointed by the Board to:

- a. review and evaluate member events and activities using an evidence-based approach;

- b. act as a sounding board reference the above, making recommendations to management for continual improvement;
- c. make suggestions concerning the development of the Society's member engagement strategy.

9.2 The Committee is also responsible for recommending the allocation of grants by The Midcounties Co-operative Community Fund, working in conjunction with the Society's Community team.

10. Communication

It is important that communication between the Committee and the Board works well. To help ensure this:

- a. the minutes of each Committee meeting will be copied to the Board for discussion
- b. the Board representatives on the Committee and Society officers (usually the Secretary and the General Manager responsible for membership) will pass information and the views and opinions of both parties each way
- c. the Committee is free to request a meeting with the President of the Society to discuss significant issues if it believes this is necessary
- d. the Board and the Committee will meet once a year to share views.

The above list is not exhaustive, and where appropriate other ways of ensuring that communication is effective will be used.

11. Resources

The Committee will be provided with appropriate resources to carry out its duties.

12. Review

The Board will review these Terms of reference on an annual basis.

Member Engagement Committee – Complaint Process

The process below tracks the ‘Board Complaint Process’ agreed by the Board on 7 March 2009. Clarifications were made by the Board at its meeting held on 17 November 2017, as noted.

	Item
1	Concern/complaint raised by member of MEC with MEC Chair.
2	Informal discussion – can the matter be resolved informally? <ul style="list-style-type: none"> - If yes, tackle as appropriate. - If no, advise need for complaint in writing.
3	When written complaint received take following steps: <ul style="list-style-type: none"> - Advise individuals who made the complaint that action is being taken - Advise those who are implicated that complaints have been made and that we are following an agreed process to investigate and take further action if required.
4	Audit Committee to investigate complaint.
5	Complaint Meeting held with both Vice-Presidents and Chair of MEC.
6	Outcome of Complaint Meeting, either: <ul style="list-style-type: none"> a) Informal guidance to individual given; or b) formal sanction to be considered under Society Rules.
7	If 6b) decided upon, next Board meeting to determine course of action under Society Rule 10.6 (see end). <p>n.b. Rule 10.6 allows the Board to (i) dismiss the complaint, (ii) suspend the individual from the MEC for up to 12 months, (iii) agree to consider a Board resolution to remove the individual at the following Board meeting. There are safeguards built into the Rule to ensure the individual’s views are heard.</p>
8	If option (iii) in point 7 is chosen, the following Board meeting to consider resolution to remove the individual.
9	If individual disagrees with outcome, Appeal Hearing by President + 2 other directors for final decision to be completed in a timely manner.

Additional points of clarification agreed by the Board at its meeting held on 17 November 2017 (minute 17/239.3):

1. Any director implicated in the complaint or grievance raised cannot be involved in the resolution at any point during the process.
2. No individual director can be involved in more than one stage of the process (except when the Board is discussing the matter as a whole, and excluding the President, who is involved at the beginning of stage 2, and at the end as chair of the final appeal hearing in stage 9, together with two other directors).
3. The initial consideration of the matter raised (stage 2) to determine whether the matter can be resolved informally should be determined by two people, rather than one person alone. Ordinarily, this discussion is expected to be held between the Chair of the MEC and the Society's President, unless:
 - i) the Chair of the MEC
 - ii) the Society's President

either individually or together are implicated in the matter. This order can also be used in determining which directors can be involved in the process should stage 9 be reached.

The suggested order is set out below:

- a) MEC Chair
 - b) President
 - c) Remuneration Committee Chair
 - d) Energy Committee Chair
 - e) Pension Trustee Chair
 - f) Longest serving director, next longest serving director, next longest etc.
4. For the purposes of Stage 2, the Audit & Risk Committee members and the Society's Vice-Presidents are to be excluded given their involvement in stages 4 and 5 respectively.
 5. For the purposes of stage 9, two directors who have not previously been involved in the process are to be chosen to work with the President in the final appeal hearing (stage 9).

Rule 10.6

Removal of a Director

A Director may be removed from office at any time by two-thirds of the votes cast at a Special Members' Meeting of the Society. Pending the decision of such Special Members' Meeting a Director may be suspended from their duties by a resolution of the Board passed by at least three-quarters of the Board, if in the opinion of the Board, the Director has been guilty of conduct seriously detrimental to the interests of the Society, or they have committed a serious breach of the code of conduct for Directors, or they are otherwise thought to be unfit to carry out their duties.

The following procedures are to be followed.

- a) The Board shall consider the matter having taken such steps as it considers appropriate to ensure that any relevant Director's point of view is heard and may either:
 - i) dismiss the matter and take no further action; or
 - ii) for a period not exceeding twelve months, suspend the rights of the Director complained of to attend Board meetings and vote under these rules; or
 - iii) arrange for a resolution to remove from office the Director complained of, to be considered at the next Board meeting.
- b) At the next meeting the Board will consider evidence in support of the complaint and such evidence as the Director complained of may wish to place before them;
- c) if the Director complained of fails to attend the meeting without due cause the meeting may proceed in their absence;
- d) a Director removed from office will cease to be a Director upon the declaration by the chair of the meeting that the resolution to expel them is carried.