

Co-operative and Community Benefit Societies Act 2014

The Co-operative and Community Benefit Societies Act 2014 (the Act) came into force from the 1st August 2014.

Please see a short summary for new and existing societies which may be affected.

Who should read this?

- People running or advising industrial and provident societies registered before 1 August 2014
- People who want to set up an industrial and provident society from August 2014

Why?

The Co-operative and Community Benefit Societies Act 2014 (the Act) came into force from 1 August 2014. It may affect some existing societies, and changes how new societies are registered

What the Act does

The Act:

- Replaces the 'industrial and provident society' legal form with two new legal forms:
 - Co-operative society (RFU model rules are passed on this version)
 - Community benefit society
- Consolidates previous industrial and provident society legislation including:
 - Industrial and Provident Societies Act 1965
 - Friendly and Industrial and Provident Societies Act 1968
 - Co-operative and Community Benefit Societies Act 2003

Before the 1 August 2014 all societies registered under the Industrial and Provident Societies Act 1965 (or its predecessors) were legally referred to as 'industrial and provident societies', whatever they called themselves. From the August 2014 they will be referred to as 'registered societies'.

Any new societies registered after August 2014 will be referred to as a co-operative society or community benefit society.

There are important distinctions between the two legal forms. For further details read our [information note](#).

What the Act doesn't do

Other than the changes above the Act simply consolidates previous legislation- with no change of meaning. All legal requirements remain the same.

For societies registered before 1 August 2014

What effect does this have?

All societies registered before 1 August 2014 will be referred to as 'registered societies'.

What do we write on our letterhead and website?

You could write: '[name of society] is a registered society under the Co-operative and Community Benefit Societies Act 2014.'

It would be incorrect to refer to your society as a 'community benefit society' or a 'co-operative society' registered under the Co-operative and Community Benefit Societies Act 2014' if your society was registered before 1 August 2014.

Do we have to change our name?

No, even if your society has the words 'industrial and provident society' in its name.

If your society has 'co-operative society' in its name, it must be a bona fide co-operative. Equally, if its name contains the term 'community benefit society' it must exist to benefit the community.

If you want to change its name, you should use [this form](#) and read this [information note](#).

Do we get a new registration number?

No. Your registration number stays the same.

Do we need to change our rules?

No, you do not have to change your rules because of the Act.

However, the next time you are making a rule amendment you could consider changing references to 'Industrial and Provident Societies Act 1965' and 'Friendly and Industrial and Provident Societies Act 1968' to 'Co-operative and Community Benefit Societies Act 2014'.

What if we're currently not a co-operative society or a community benefit society?

All societies must be either:

- a bona fide co-operative
- exist for the benefit of the community

Societies that feel they don't meet either of these conditions of registration could consider converting to a company. We have the power to cancel the registration of any society that does not meet one of the conditions of registration.

All societies will need to determine which condition of registration they think they meet, and stick with it.

How do we switch from being a 'registered society' to a 'co-operative society' or a 'community benefit society'?

There is no way to switch between the legal forms without registering a new society.

All societies must meet a condition for registration, being either:

- a bona fide co-operative society
- by existing for the benefit of the community

At all times a society must meet one of the conditions for registration.

In light of the Act, societies will need to determine which condition for registration they think they meet, and stick with it.

For instance, if a registered society has determined it will meet the 'existing for the benefit of the community' condition for registration, it can't change that in the future.

For societies registering from 1 August 2014

What can we register as?

From 1 August you must register as either:

- a co-operative society
- a community benefit society

You cannot be both. It won't be possible to register an industrial and provident society.

There are important distinctions between the two legal forms. For further details read our [information note](#).

What do we write on our letterhead and website?

For a co-operative society you could write: '[society name] is a Co-operative Society registered under the Co-operative and Community Benefit Societies Act 2014.'

For a community benefit society you could write: '[society name] is a Community Benefit Society registered under the Co-operative and Community Benefit Societies Act 2014'.

If we register as 'co-operative society', can we change it to a 'community benefit society' later (or vice versa)?

No. The Act has not made any provision for converting from one type of society to another. Instead a new society would need to be registered with us, and the original society's engagements transferred to it.

What registration number do we get?

Co-operative societies will have a number starting from 4,000.

Community benefit societies will have a number starting from 7,000.

These won't have the old 'R' or 'RS' suffixes.