

# Shareholding Membership Policy

**Policy reference number:** GOV6-POL-FH

**Version number:** 5

**Date applies from:** 10/03/2022

UNCONTROLLED IF PRINTED

## Aim of policy

ForHousing is registered as a society under the Co-operative and Community Benefit Societies Act 2014. ForHousing is a non-profit organisation and nothing is paid or transferred by way of profit to Shareholders of the Society.

The aim of this policy is to explain the criteria and procedure for the admission of new Shareholders.

Unless otherwise stated, capitalised terms have the meaning given to those terms in ForHousing's Rules (as amended from time to time).

## Policy

### The role of the Shareholder

A Shareholder of the Society is a person whose name and address are entered in the Register of Shareholders. The Group Parent is a Shareholder, and in addition only residents and any Board Member on the ForHousing Board may become or remain a Shareholder.

Shareholders are not equity holders, meaning that they do not have rights to any surplus made by ForHousing or to any other financial benefit from their share. Shareholders do not have any liability other than the nominal £1 value of their share which becomes payable if called upon and not already paid.

Shareholders will be invited to attend and vote at the Annual General Meeting (AGM), as well as other general meetings. They can also receive reports and other information for those meetings. The Board will ensure that all general meetings are held in accordance with the Rules of the Association.

### Shareholder Admission and Conduct

Being a Shareholder of ForHousing means that you identify with the aims of the organisation. Shareholders must act at all times in the interests of ForHousing and for the benefit of the communities it serves. This requirement will take precedence over all other factors which may be considered when the ForHousing Board decides whether or not to admit an applicant to membership.

An applicant for a share shall apply in writing to the Group Company Secretary at ForHousing's registered office using the form at appendix 1:

- Setting out their reasons for applying and their qualifications in accordance with the Society's policies.
- Confirm they are prepared to pay the sum of £1 if called upon to do so.

### Who is eligible to be a Shareholder?

Residents and leaseholders of ForHousing and members of the ForHousing Board (except Co-optees and staff) are eligible to apply for and if approved, retain shareholding membership.

Shareholding membership is not open to:

- Anyone under the age of 16 years
- Anyone who has previously been expelled as a shareholder, unless otherwise authorised by a special resolution at a general meeting
- An employee of the Group (unless they are also a Resident or leaseholder)
- A person who has been removed by the Board in accordance with its Rules
- A person in respect of whom a registered medical practitioner who is treating that person gives a written opinion to ForHousing stating that the person has become physically or mentally incapable of exercising their rights as a Shareholder and may remain so for more than three months.

\* Note the term 'Resident' in this policy follows the interpretation set out in the Rules, being: *'a person who alone or jointly with others hold a tenancy, or licence to occupy the premises for residential use or the premises of anybody whose accounts must be consolidated'*.

### **The rules about Shareholding (this does not apply to the Parent Shareholder)**

- Shareholders cannot hold more than one share
- Shares cannot be held jointly
- Each share carries one vote
- By becoming a Shareholder, Shareholders agree to adhere to the Rules of ForHousing
- Shareholders must always act in the interests of ForHousing and, for the benefit of the community
- Shares cannot be transferred

### **Shareholder's responsibilities**

- To attend and vote at the appropriate Annual General Meeting, or deliver apologies if unable to attend
- To hold the Board to account for the delivery of ForHousing's objectives
- To make representations to the Board if it is considered that the ForHousing Board is not fulfilling its objectives or is acting in a manner inconsistent with ForHousing's Rules
- To have the interests and aims of ForHousing in mind, and to promote these in the community
- Shareholders are the guardians of ForHousing's Rules. Shareholders must vote in favour of a rule change for it to take effect. The Shareholders can propose changes to the rules, but any proposed change would also have to be agreed by the Group Board
- Shareholders may be invited to participate in discussions about strategies and policies through a variety of means
- A Special General Meeting can be called upon a written requisition signed by one tenth of the Shareholders stating the business for which the meeting is to be convened

### **How can Shareholding end?**

Shareholding will end if:

- The Shareholder dies

- The Shareholder is expelled as a Shareholder under the ForHousing Rules and following a special resolution at a Special General Meeting called by the Board
- The Shareholder ceases to be eligible to be a Shareholder
- The Shareholder withdraws from membership by giving one month's notice to the Group Company Secretary
- The Shareholder breaches this policy or any of the regulations contained in the ForHousing's Rules
- The Shareholder is no longer a resident of ForHousing (having previously been a Resident)
- The Shareholder is a resident and is subject to a possession order or is in breach of a suspended possession order or is subject to any of the following types of court order: anti-social behaviour order, anti-social behaviour injunction, demoted tenancy or closure order
- ForHousing has obtained an order of a competent court of tribunal against the Shareholder for recovery of monies due from them to ForHousing provided that if the order is suspended or is an order for payment in instalments, they shall only cease to be a Shareholder upon failing to meet the terms of the order
- The Shareholder is a resident and is, in the opinion of the Board, in material or serious breach of their tenancy agreement or lease

## How the policy will be delivered

The Policy will be delivered through the existing governance structure and monitored on an annual basis in order to ensure compliance.

## Related documents

ForHousing Rules  
Board Member Code of Conduct  
NHF Code of Governance 2020

## Equality analysis

Date of approved equality analysis	N/A
Actions taken forward to mitigate any potential negative impact	•

## Consultation and business intelligence

This policy has been developed by the Governance Team and consultation has been sought from the People Committee.

## Monitoring arrangements

The Governance Team will monitor this policy and will review it in line with the established timescales.

## Policy summary for the intranet

The policy explains how ForHousing admits shareholders, what their responsibilities are, and how shareholding can end.

## Words linked to this policy for intranet searches

Shareholding

## Where this policy should be accessible

ForHousing owned

## Control data and approval history

<b>Policy owner:</b>	Group Company Secretary
<b>Next review date:</b>	March 2023

Action	Approved by	/Date
Approval	Relevant lead or director	08/02/2022
Approval	Group Executive Leadership Team representative(s)	08/02/2022
Approval	Relevant board (ForHousing)	10/03/2022
Equality Analysis review and advise	Business Excellence	N/A
Health and safety review and advise	Health and Safety	N/A
Legal review and advise	Legal Services Executive	N/A
Human Resources review and advise	Human Resources (Trade Union and staff consulted when required)	N/A

## Document revision history

Date approved	Version number	Version history
01.07.2015	V1	Arrangements for new group structure

Date amended	Version number	Key changes
22.11.2016	V2	Reviewed content and put onto new corporate template. Document owner changed from Operational Manager for Governance to Assistant Director of Governance. Amends to Related Documents section.
01.11.2018	V3	Job titles amended
01.07.2019	V4	Rewrite following Project Reform and ForHousing DNA.
08.02.2022	V5	Minor amendments only