

Title:	Shareholding Membership Policy
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Author:	Alison Foy
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Shareholding Membership Policy

1.0 Introduction

- 1.1 This document sets out the policy for shareholding membership of Golden Gates Housing Trust (GGHT). GGHT has a commitment to ensure that tenants and leaseholders are able to contribute positively to the work of the organisation and to the community it serves. The effectiveness of the various mechanisms for tenant empowerment, of which shareholding membership is one fundamental aspect, is vital to the success of GGHT in ensuring that the organisation provides homes, estates and neighbourhoods where people choose to live, want to stay and where they can enjoy a good quality of life.
- 1.2 Registered Providers are required to be properly constituted with governance and decision-making structures which are appropriate to their size and responsibilities. They must operate in accordance with the terms of their rules. This policy sets out how GGHT will use shareholding membership to allow individuals to become more involved with GGHT.

2.0 Purpose

- 2.1 The objectives in admitting new shareholders are:
- ❖ To facilitate tenants expressing an interest in the company without the need to play an active role
 - ❖ To enhance the company's accountability
 - ❖ To provide a potential pool of people who are interested in the company and may wish to join the Board in the future through the agreed recruitment and selection process.

30 National Housing Federation (NHF) Code of Governance

- 3.1 The NHF code recommends that organisations are clear about the purpose and role of shareholders. Shareholders should be appointed in an open and transparent manner, the policy should be freely available and issues of equality and diversity are considered.
- 3.2 This policy sets out how shareholders are appointed and what responsibilities they have.

4.0 Who can become a Shareholding Member?

4.1 Tenant Shareholding

- 4.2 Tenants* and leaseholders of the association and tenant Board members are eligible to apply for and retain shareholding membership subject to the restrictions outlined at 6.1.

** Note the term 'Tenant' in this policy follows the interpretation set out in the rules of GGHT and means 'a person who alone or jointly with*

others hold a tenancy, or licence to occupy the (trust's) premises for residential use or the premises of any body whose accounts must be consolidated with the (trust)'.

4.3 Tenant Board Members will be shareholders for as long as they remain on the Board.

4.4 Independent shareholding

4.5 GGHT will invite Independent Board Members to become shareholders for as long as they remain on the Board.

4.6 Council Shareholding

4.7 Warrington Borough Council shall be a Corporate Member

5.0 Admission to membership

5.1 Being a shareholder of GGHT is an expression of identification with the vision, values and aims of the organisation. Shareholders must act at all times in the interests of GGHT and for the benefit of the communities it serves.

5.2 Shareholding membership is a key part of the trust's governance and operations. The Board governs wherever possible on the basis of the views of the membership, and seeks to take the membership with it on business decisions. The Trust's members are the guardians of the organisation.

5.3 All applications to become a shareholding member will be considered by the Appraisal, Remuneration and Selection Committee.

5.4 Shareholding members each have a £1 liability in the company and agree to pay this liability should the company be wound up. However no financial benefit is gained from being a shareholder.

5.5 If the application is approved the applicant will be entered onto the register of shareholders which is open to public inspection.

6.0 Restrictions on admittance of members

6.1 There are restrictions on who can become a shareholding member. Membership is not open to:

- ❖ Anyone under 18 years of age
- ❖ Anyone who has previously been expelled from shareholding membership
- ❖ Tenants who have an Assured Shorthold agreement
- ❖ Any tenant or leaseholder that GGHT has commenced legal proceedings against i.e. who have been served with a Notice of

Seeking Possession (NOSP) for anti social behaviour, rent arrears or other tenancy breaches.

7.0 The rules about shareholding

- ❖ Shareholders cannot hold more than one share
- ❖ Shares cannot be held jointly
- ❖ Each share carries one vote
- ❖ The votes are proportional in that each category of shareholders has 1/3 of the voting
- ❖ By becoming a shareholder, members agree to adhere to the rules of the organisation
- ❖ Shareholders must always act in the interests of the association and, for the benefit of the community
- ❖ Shares cannot be transferred

8.0 Rights of All Shareholders

8.1 Shareholding members have the right to:

- ❖ Attend and vote at the Annual General Meeting (AGM) and general meeting(s)
- ❖ Receive a copy of the annual report and accounts
- ❖ Receive copies of the Associations newsletters
- ❖ To adhere to the principles of the Code of Conduct
- ❖ To make representation to the Board if it is considered that GGHT is not fulfilling its objectives or is acting in a manner inconsistent with its rules
- ❖ To have the interests and aims of GGHT in mind, and to promote these in the community
- ❖ As guardians of the Trust's legal rules the membership must vote in favour of a rule change for it to take effect.
- ❖ The shareholding membership can propose changes to the rules, but any proposed change would also have to be agreed by the Board.
- ❖ Members will be invited to participate in discussions about strategies and policies through a variety of means.
- ❖ To approve the appointment of the external auditors
- ❖ A Special General Meeting can be called upon a written requisition signed by one tenth of the shareholders stating the business of the meeting provided that the shareholders shall be not less than one hundred in number.

8.2 Shareholders have no rights to any surplus made by GGHT, nor to any liabilities other than the nominal value of their share which is £1.

9.0 How can shareholding end?

9.1 When a shareholder ceases to be a tenant or an Independent Board Member they cease to be a Board member or is expelled from the company, his or her share shall be cancelled.

9.2 How shareholding can end is set out in the rules and could be when:

- ❖ A shareholder dies
- ❖ They are expelled as a shareholder under the Rules of the Company and following a special resolution at a general meeting called by the Board
- ❖ They withdraw their membership by giving one month's notice to the Company Secretary
- ❖ They breach any of the regulations contained in GGHT's rules
- ❖ They are no longer a tenant or leaseholder of GGHT
- ❖ They are an Independent Board member and cease to be a Board member
- ❖ If they become an elected member of Warrington Borough Council

10.0 Equality and Diversity

10.1 GGHT aims to ensure that the Shareholding Policy respects and upholds the organisation's commitment to equality and diversity and in a manner that is fair to all staff regardless of their; age, religion & belief, disability, gender, race, sexual orientation, transgender status, marriage & civil partnership, pregnancy & maternity or any other issue that may cause potential discrimination in service delivery.

10.2 GGHT will ensure that where necessary it assists everyone to access the Shareholding Policy.

11.0 Review

11.1 The Appraisal, Re-numeration and Selection Committee will have responsibility for reviewing the Register of Members once every year to ensure that the membership is reflective of the communities GGHT serves and to identify any gaps in membership. The register of members will be reviewed on a quarterly basis.

11.2 The policy will be reviewed on a biannual basis

Approval process	When
EMT	May 2011
Customer Consultative Panel CCP	24 May 2011
GGHT Board	25 May 2011