



Shareholder Membership Policy

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1. Policy statement

- 1.1 The objective of the policy is to encourage persons individually or as representatives of corporate or unincorporated bodies to apply to become shareholders of Cardiff Community Housing Association (the 'Association').

2. Purpose

- 2.1 The Board are required to have a policy and objectives for the admittance of new shareholders. Any new shareholders can only be admitted by the Board in accordance with such policies.
- 2.2 All shareholders must agree to be bound by the obligations on them as set out in the Association's Rules. When acting as shareholders they must act at all times in the interests of the Association and, for the benefit of the community, as guardians of the objects of the Association.

3. Scope

- 3.1 This policy applies to shareholders, current and prospective.
- 3.2 **"Shareholder"** – a shareholder of the Association is a person or body whose name and address is entered in the register of shareholders.
- 3.3 Shareholder membership involves three types of member:
- 3.3.1 Individuals who wish to join the Association because of a particular interest in social housing, who want to help in some way by the use of their particular personal skills or who are, or have the potential to be, Board members
- 3.3.2 Nominees of unincorporated bodies. In this instance the application for membership must give the name and address of the person nominated as the representative.
- 3.3.3 Corporate bodies.

4. Responsibilities

- 4.1 It is the responsibility of the Governance and Executive Support Officer, in consultation with the Head of Governance to monitor and review this policy at least every three years.

4.2 Major changes to this policy must be approved by the Board. Refer to the Policy Framework and Policies Matrix for more details.]

5. Exclusions to Shareholders

5.1 The Board of Management can allow, at its discretion, any individual person to become a shareholder providing they are not:

- a minor – as determined by the Board;
- a person who has been expelled as a shareholder, unless authorised by a resolution at a general meeting;
- an employee of the association or an employee of a group member;
- a person who has been removed by the board in accordance with rule D5;
- a person in respect of whom a registered medical practitioner who is treating that person gives a written opinion to the effect that that person has become physically or mentally incapable of acting as a board member and may remain so for more than three months;
- a person in respect of whom, by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- a person who is disqualified from acting as a director of a company for any reason, or has been convicted of an indictable offence (in particular any offence involving dishonesty or any offence involving imprisonment whether suspended or not);
- a person who is a director of a company which has gone into insolvency; or
- a person disqualified under Section 178 of the Charities Act 2011 from being a charitable trustee.

6. Applications

6.1 Applications to become a shareholder must be submitted in writing to the Governance Team setting out the reasons for the application and the qualifications for membership, and enclosing the sum of one pound (which shall be returned to them if the application is not approved).

6.2 Each application will be considered at the next Board meeting. The Board has the power in its absolute discretion to accept or reject the application. It may be necessary for an applicant for membership to be interviewed by the Chair (or other delegated member) and the Chief Executive. This will be decided at the Board meeting considering the application.

6.3 In considering the application the Board will have regard to the skills, qualities and experience the applicant will bring to the Association. The Board will also

have regard to the potential for conflicts of interest when considering applications e.g. membership or officer of another housing association.

- 6.4 All applicants will be informed by the Governance Team of the outcome of their application within 10 working days of its consideration. In instances where the application is refused, the reasons for the refusal will be given and the applicant will not be allowed to re-apply for consideration until a period of a further 12 months has elapsed.
- 6.5 If approved, the name of the applicant and the other necessary particulars shall be entered in the register of Shareholders. One share in the Association shall be issued to the applicant.
- 6.6 No shareholder shall hold more than one share and each share shall carry only one vote.
- 6.7 The association's share capital shall be raised by the issue of shares. Each share shall have a nominal value of £1 which shall carry no right to interest, dividend or bonus, save for any permitted by paragraph 1 of Schedule 1 to the Housing Act 1996. Subject to Rules C3 and C37 the shares shall be non withdrawable and non transferable.

7. Criteria for consideration

- 7.1 In considering an application the Board will have regard to the following:
- the skills and experience the applicant will bring to the Association
 - the skills the applicant can bring to the Board, if applicable
 - knowledge of the Association or a similar organisation
 - commitment to the Association's vision, values and outcomes
 - an interest in and a commitment to supporting the Association's work whenever the opportunity arises and not to undermine its work or good name
 - an empathy with and understanding of the needs and aspirations of the communities and people the Association serves
 - a commitment to equal opportunities and diversity
 - to abide by the Rules and Code of Conduct of the Association
 - not in breach of the terms and conditions of the Association's tenancy agreement, as determined by the Board (CCHA tenants)
 - no serious criminal offences, as determined by the Board.

8. Ending of shareholding

- 8.1 A shareholder shall cease to be a shareholder under the conditions set out at C14 of the Association's rules.
- 8.2 A shareholder can only be expelled under rule C15 of the Association.

- 8.3 Under Rule C4, when a shareholder ceases to be a shareholder or is expelled from the association, his or her share shall be cancelled. The amount paid up on that share shall become the property of the association.

9. References

Related External Documents	
Reference	
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Related Internal Documents	
Rules of CCHA Limited	
Shareholder Application Form	
Tenancy Agreement	
CCHA Code of Conduct	
Policy Framework / Policies Matrix	

10. Document control

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Document History			
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