



POLICY FOR ADMITTING NEW SHAREHOLDERS

Responsible Director - Chair

Last review – February 2022

Next review – February 2025

1. PURPOSE

Rule C11 of the Association requires the Board to "set review and publish its policies, and objectives for admitting new Shareholders". This policy details the procedure and criteria Board will follow in admitting new Shareholders.

2. BACKGROUND

2.1 The Association is formed for the benefit of the community. Its objects are to carry on for the benefit of the community:-

"The business of providing and managing housing and social housing and providing assistance to help house people and associated facilities and amenities or services for poor people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people" and,

"Any other charitable objective that can be carried out from time to time by an Industrial and Provident Society registered as a provider of social housing with the regulator".

2.2 Any Shareholder admitted to the Association is bound by the rules, and when acting as a Shareholder shall at all times act in the interests of the Association, and for the benefit of the community, as a guardian of the objects of the association.

2.3 In addition to being bound by the rules, and objects of the association, shareholders are also required to be committed to the mission and vision of the Association and at all times uphold its core values of:-

- Caring – About what we do and the way that we do it
- Lean - We learn, improve and change to deliver great services for customers
- Enthusiastic – We are engaged and Motivated to make a difference

- Accountable – We are answerable for what we do and don't do
- Resilient – We are ready to respond to Opportunities and Challenges

2.4 Shareholders are entitled to attend the Annual General Meeting (and any special general meeting convened in accordance with the Rules), and are entitled to stand for election and to vote in any election to appoint Board Members.

3 GLOSSARY

3.1 The Association is Nottingham Community Housing Association Ltd.

3.2 The Regulator is the Regulator of Social Housing (or its successor), which has responsibility for regulating the affairs of housing associations registered with it.

3.3 The Rules are the Model Rules of Association as adopted in 2015 which follow the model guidance provided by the National Housing Federation.

4. RISKS

4.1 Failure to review and publish a policy on admission of shareholders would be a breach of the rules of the Association.

4.2 Failure to adopt a clear procedure and selection criteria for new shareholders would place the good governance of the Association at risk.

4.3 Failure to have a strong shareholding membership would weaken the effectiveness and accountability of the Board.

5. REFERENCES

5.1 The Corporate Strategy and Plan identify the mission, vision, core values and priorities of the Association.

5.2 The Model Rules identify the objects and powers of the Association, and also define the role of Shareholders, Board Members, Chief Executive, Secretary and Audit.

6. PROCESS

6.1 NCHA operates a closed membership for shareholdings. The appointment of shareholders is restricted to those appointed as non-executive board members. Co-optees are not eligible to be made shareholders.

6.2 Applications to become a board member and shareholder will be invited from persons who will provide a discernible benefit to NCHA and meet the skills set required to join NCHA's Board.

- 6.3 Every application shall be considered by the Board against the published policy and has the power in its absolute discretion to accept or reject the application.
- 6.4 If the application to become a board member is successful, their name shall be entered in the register of shareholders, and one share in the Association shall be issued to the board member. The board member shall pay the sum of one pound for their share
- 6.5 A person cannot apply to be a shareholder if they are:
- a minor
 - a person who has been expelled as a shareholder, unless authorised by special resolution at a general meeting
 - a NCHA employee
 - otherwise ineligible to become a shareholder by virtue of any provision of NCHA Rules.

7. ENDING OF A SHAREHOLDING

- 7.1 A shareholder shall cease to be a shareholder only under Rule C14
- 7.2 Retiring NCHA Board Members will retain their shares in NCHA and ~~NC(2)HA~~ unless NCHA Board makes a decision, with good reason, to remove the shares at the time of retirement.

8.0 EQUALITIES AND DIVERSITY

- 8.1 An Equalities and Diversity Impact assessment has been completed. Each of the nine protected characteristics (under the Equality Act 2010) have been considered as to whether the policy affects these particular groups of people in different ways compared to other groups. The impact of the policy on protected characteristics has been assessed as neutral.

9.0 RESPONSIBILITIES

- 9.1 A copy of this policy will be made available on the NCHA website.
- 9.2 The NCHA Board is responsible for approving this policy and ensuring it is followed when admitting shareholders following the AGM.