



SHAREHOLDING MEMBERSHIP POLICY

2022-2025

SHAREHOLDING MEMBERSHIP POLICY

Adopted / Date Reviewed:	Board 24 April 2018 / Reviewed 30 March 2022
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Contact Officer:	Assistant Director of Governance and Regulation
Policy Version:	Second
Version Reviewed by:	ELT (Executive Leadership Team) - 16 March 2022
Version Approved by:	The Board – 30 March 2022
Policy Links:	The Rules Board and Committee member Recruitment and Succession policy

Brief Policy Summary:

There is a constitutional requirement for LHP (Lincolnshire Housing Partnership) to agree and apply a policy on the admission of new Shareholders (Rule C8). The NHF (National Housing Federation) Code of Governance (2020) states that:

- The role of shareholders in the governance of the organisation is documented and understood.
- Organisations with open shareholding publish their policy for the admission of shareholders.

If there is any dispute or lack of clarity over the interpretation of the contents of this policy, the Rules will take precedence.

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1. Introduction

- 1.1 This policy is required to ensure LHP is compliant with its Rules, the NHF Code of Governance and relevant Regulatory Standards.

2. Scope

- 2.1 This policy applies to the Association's current and future Shareholders only and governs admissions, exclusions, rights and obligations.
- 2.2 A Shareholder of the Association is a person or body whose name and address are entered in the Register of Shareholders.

3. The Role of the Shareholders

- 3.1 The Association's Shareholders shall always act in the interests of the Association and for the benefit of the community, as guardians of the objects as set out in Rule A2 of the Association's Rules.
- 3.2 The Association's Shareholders must agree to be bound by the obligations on them as set out in the Rules (Rule C1).
- 3.3 The Association's Shareholders also agree to act as ambassadors for the Association and promote its mission, objectives and achievements.
- 3.4 All Shareholders must use their best endeavours to participate in general meetings and other events organised by the Association to which Shareholders are invited.
- 3.5 All Shareholders must not conduct themselves (at any time and under any circumstances) in a manner which could be regarded as bringing their position as a Shareholder or the Association into disrepute.
- 3.6 Shareholders have the right, in accordance with and subject to the Rules, to attend and vote at general meetings. A general meeting may be called for any purpose requiring a shareholder resolution.

4. Admission to Shareholding Membership

- 4.1 In accordance with the Rules, all Board Members shall be admitted as Shareholders and when a person ceases to be a Board Member, they also cease to be a Shareholder.
- 4.2 The Association will restrict the number of tenant residents (including leaseholders and shared owners) of the Association to a maximum of no more than 24% shareholding membership of the total at any time.
- 4.3 The names of those admitted will be entered into the Register of Shareholders, held by the Secretary, and each will be issued with a share (Rule C9). No Shareholder can hold more than one share (Rule C7).
- 4.4 Existing Shareholders appointed prior to the date of this policy may retain their shareholding membership of the Association until such time as it is ended in line with the Rules.

5. Shareholding Membership

- 5.1 The Board, in considering applications, shall admit all Board Members to Shareholding Membership.
- 5.2 Shareholding Membership shall cease automatically when a Board Member ceases to hold office.

EQUALITY IMPACT ASSESSMENT

Shareholding Membership Policy			
Provide a summary of the aims and main activities of the initiative (bullet points):			
To explain the role of shareholders and how new Shareholders are admitted			
Completed By:	Assistant Director of Governance and Regulation	Date:	11 March 2022

Guidelines: Things to consider

- Where a negative (i.e., adverse) impact is identified, it may be appropriate to make a full EIA (see Stage 2), or, as important, take early action to redress this – e.g., by abandoning or modifying the initiative. NB If the initiative contravenes equality legislation, it must be abandoned or modified.
- Where an initiative has a positive impact on groups/community relations, the EIA should make this explicit, to enable the outcomes to be monitored over its lifespan.
- Where there is a positive impact on groups, does this mean there could be an adverse impact on others, and if so, can this be justified? - e.g. Are there other existing or planned initiatives which redress this?
- It may not be possible to provide detailed answers to some of these questions at the start of the initiative. The EIA may identify a lack of relevant data, and that data-gathering is a specific action required to inform the initiative as it develops, and to form part of a continuing evaluation and review process.
- It is envisaged that it will be rare for full impact assessments to be required. Usually, where there are particular problems identified in the screening stage, it is envisaged that changing the approach at this stage, and/or setting up a monitoring/evaluation system to review a policy's impact over time will tackle the problem.

EQUALITY IMPACT ASSESSMENT

STAGE 1: SCREENING

This stage establishes whether a proposed initiative will have an impact from an equality perspective on any particular group of people or community – i.e., on the grounds of race, religion/faith/belief, gender (including transgender), sexual orientation, age, disability, or whether it is “equality neutral” (i.e. have no effect either positive or negative).

Q 1. Who will benefit from this initiative? Is there likely to be a positive impact on specific groups/communities (whether they are the intended beneficiaries), and if so, how? Or is it clear at this stage that it will be equality ‘neutral’ i.e., will have no effect on any group? *Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

It is expected that this policy will be equality neutral – as Shareholders can only be Board Members. The impacts of the process to appoint Board members is assessed in the impact assessment of the Board Recruitment and Succession Policy.

Q 2. Is there likely to be an adverse impact on one or more minority/under-represented or community group as a result of this initiative? If so, who may be affected and why: Or is it clear at this stage that it will be equality ‘neutral’? *Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

It is expected that this policy will be equality neutral.

Q 3. Is there sufficient data on the target beneficiary groups/communities? Are any of these groups under or overrepresented? Do they have access to the same resources? What are your sources of data and are there any gaps? *Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

LHP collects diversity data on its Shareholders (Board members) and compares the diversity profile of the group - to the profile of the communities within which LHP serves (ONS (Office for National Statistics) data). This data is published on the LHP website and refreshed annually. The data is used to identify gaps as part of the Board succession plan which is reviewed and approved by the Board annually. Future recruitment processes will seek to appoint members to ensure the Board is more diverse. Role descriptions will be reviewed to

EQUALITY IMPACT ASSESSMENT

ensure the language used does not include any unintentional barriers to diverse candidates applying.

Q 4. Outsourced services – if the initiative is partly or wholly provided by external organisations / agencies, please list any arrangements you plan to ensure that they promote equality and diversity. Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality

NA

Q 5. Is the impact of the initiative (whether positive or negative) significant enough to warrant a full impact assessment – see guidance? If not, will there be monitoring and review to assess the level of impact over a period of time? Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality

No

Q 6. To be completed at six monthly review Detail actions taken to assess the level of impact over a period of time, or to address any gaps in data. Please consider all aspect of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality