



Places to live. Space to grow.

Shareholder Policy

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1 Introduction: the purpose of this policy

- 1.1 This policy aims to ensure that persons who are shareholders of the West Kent Housing Group (the Shareholders) understand their obligations as a Shareholder and sets out the criteria and procedure for admission and removal of shareholders for West Kent Housing Group.
- 1.2 The Association's share capital shall be raised by the issue of shares. Each share has the nominal value of one pound which shall carry no right to interest, dividend or bonus. Share capital cannot be withdrawn or transferred. Only shares held by the nominee of an unincorporated body can be transferred and only to a new nominee of that unincorporated body. No Shareholder shall hold more than one share and each share shall carry only one vote.
- 1.3 Shareholders should have the aims and objectives of West Kent Housing Association and, as appropriate, other entities in the West Kent Housing group, as their primary motivation and agree to uphold and support the objectives of the Association, to promote its success, and to be bound by the obligations on them as set out in the Association's governing document.
- 1.4 This policy is set by the Group Board in accordance with rule C11 of the Rules of the Associations and should be read in conjunction with those Rules. It applies to all prospective, new and existing shareholders.

2 Policy Statement

- 2.1 A Shareholder of the Association is a person or body whose name and address is entered in the Register of Shareholders. A Shareholder can be the nominee of an unincorporated body. In such cases the register shall contain the name and address of the Shareholder and shall designate the Shareholder as the nominee of a named unincorporated body. The address of the unincorporated body shall also be entered in the register if it differs from the address of the Shareholder nominee.
- 2.2 A Shareholder is expected to consider whether their actions seek to, and are structured to, effectively probe the quality of corporate governance of the Association rather than duplicate the role of the Board or Executive Team.
- 2.3 Shareholders should not use their position to:
 - i. seek to act in an executive capacity in the decision-making required for the running of West Kent's business or portray themselves as responsible for the management of the Association or as being Board members (notwithstanding those Shareholders who are Board members and as such are required to wear separate "hats" in their dual capacity as Board member and separately as Shareholder where required).
 - ii. take up complaints or pursue local or personal issues for other service users or interest group causes.

- iii. seek to represent the wider public or a specialist interest group in relation to matters related to the West Kent Housing Group.

3 Admission

- 3.1 In accordance with Rule C11 the Board shall set, review and publish its policies and objectives for admitting new Shareholders. The Board shall only admit new Shareholders in accordance with this policy.
- 3.2 Shareholding membership is limited to the Association's current Non-Executive Board Members and those existing Shareholders who were registered in the Association's Register of Shareholders as at 1 April 2025 (which includes retired Board members and West Kent residents). No other persons are permitted to be Shareholders of the Association.
- 3.3 The Board shall consist of between five and twelve Board Members (including co-optees) as may be determined by the Board. Except for co-optees and employees, only Shareholders can be Board Members. The Board will recruit Board Members with the necessary skills and experience to run the business and on appointment the Board Members must pay their one pound to become a Shareholder.
- 3.4 An applicant for board/shareholding membership shall apply in writing setting out their reasons for applying and how they meet the criteria set out by the Board. All prospective Board members will be interviewed to assess their capability and suitability to become a Board member and Shareholder. Further detail is set out in the Board Recruitment and Succession Policy.
- 3.5 Rule C6 sets out who cannot be a Shareholder; this includes employees of West Kent.

4 Obligations

- 4.1 In accordance with Rule C1, all Shareholders agree to be bound by the obligations on them as set out in the Rules. In particular, they shall act at all times in the interests of the Association and uphold West Kent's vision and values. They must abide by the Code of Conduct and the terms of their Agreement for Services.

5 Powers

- 5.1 The Group Board is accountable to its Shareholders and the Shareholders have the important role in voting on a number of business matters at general meetings, including (subject to relevant provisions in the Rules):
 - i. receiving the Annual Report and Accounts (C17.1)
 - ii. the appointment or reappointment of the Auditors (C17.2)
 - iii. changes to the Association's Rules (G12)
 - iv. election and resignation of board members (C17.3)

6 Removal

- 6.1 Rule C14 sets out the circumstances in which a Shareholder will cease to be a Shareholder. This includes where they do not participate in, nor deliver written apologies in advance for, two consecutive annual general meetings of the association.
- 6.2 There are occasions when a Shareholder's conduct is not in line with West Kent's values and/or where they have failed to adhere to the Code of Conduct and/or act in the best interests of the West Kent Housing Group. In these circumstances the Board may seek to expel the member concerned. A Shareholder may only be expelled by a Special Resolution at a special General Meeting called by the Board in accordance with Rule C15.
- 6.3 Where a Shareholder is a Board Member of the Association, their Shareholding Membership will automatically cease upon the Board Member's retirement or resignation.
- 6.4 Where Shareholding Membership ceases for any reason, the Member's name will be removed from the Association's Register of Shareholders and their Share cancelled with the £1 Share Capital forfeited and remaining the property of the Association for use in general funds.

7 Responsibilities

- 7.1 The Chair of the Board is responsible for managing the relationship with Shareholders. This may include informal meetings and communications outside of the cycle of General Meetings required to enact the business of the Association.
- 7.2 The Company Secretary (and any nominated deputies) are responsible for maintaining the Register of Shareholders; issuing share certificates to new Shareholders and ensuring that the £1 payment is received and appropriately recorded and for cancelling the shareholding of members who have ceased to be a Shareholder. The Company Secretary is also responsible for issuing the notice and papers for General Meetings and ensuring that these are conducted in accordance with the relevant rules.

8 Regulation

- 8.1 This policy supports West Kent's compliance with the National Housing Federation Code of Governance and is published in accordance with our Rules.

9 Reporting

- 9.1 Compliance with this policy is monitored by the Risk and Governance Function.

10 Communication

- 10.1 This policy will be published on West Kent's intranet, Bettie.

Summary of key material/changes

- New policy