



Shareholding Policy			
Last Reviewed	March 2023	Next Review	January 2026
Responsible Officer	Company Secretary		

NOTE: With effect from 22 January 2025, the Freebridge Board has temporarily suspended the elements of this Policy relating to the recruitment and admission of new tenant shareholders, pending a review.

**Policy Statement:** As a community-based organisation, we are committed to involving tenants and various stakeholders in the business by operating an inclusive, open and transparent Shareholding Policy in line with tenant promises, Freebridge Rules, National Housing Federation Code of Governance Good Practice Guidelines and Freebridge's Policies on Belonging and Customer Satisfaction.

Part C of Freebridge's Rules cover shareholding and should be read in conjunction with this Policy.

The Rules state that there shall be two classes of shareholder, namely:

- Tenant shareholders; and
- Independent shareholders.

### **Tenant Shareholding**

#### **We shall:**

- Invite all of our tenants to become shareholders in the organisation in fulfilment of the tenant promises and in accordance with its Rules.
- Invite Tenants to become shareholders when signing or being assigned an Assured or Assured Shorthold Fixed Term Tenancy; and
- Repeat invitations to shareholding for existing tenants at least a quarterly basis, through the tenants' newsletter, "Streets Ahead".

### **Independent Shareholding**

#### **We shall:**

- Invite each of our Independent Board members to become Independent shareholders for as long as they remain on the Board.

## **Approval and Refusal of Shareholding Applications**

The Company Secretary has delegated authority to:

- Approve applications for shareholding, subject to a report being made to the Board or appropriate Committee on a quarterly basis of all shareholding applications approved.  
Where the Company Secretary considers that an applicant **may not** be suitable for shareholding, this shall be
- Referred to the Board or appropriate Committee for a decision on whether to reject the application. Reasons for rejection may include, but are not limited to:
  - The applicant is, in the opinion of the Board or appropriate Committee, in material or serious breach of their tenancy agreement or lease: or
  - Has committed conduct detrimental to the Association.

## **Accountability**

All Board members (other than the Chief Executive and co-optees) shall also be shareholders, and the accountability of the Board to the shareholders can be assured as follows:

- All Freebridge tenants shall be invited to become shareholders.

## **Nominees of Other Organisations, Employees and Board Members of Other Housing Providers**

**We shall:**

- Only appoint shareholders as individuals, and not as nominees of other organisations.
- Permit shareholding membership to employees and Board members of other housing associations, only at the discretion of the Board or appropriate Committee providing that there is no automatic material conflict of interest.

In exercising its discretion, the Board or appropriate Committee will have regard to:

- The other housing association's:
  - Size;
  - Geographical location;
  - Aims and objectives, for instance mainstream social housing or special needs; and
- In respect of the individual applying for membership:
  - His or her position and influence over decision-making in either association.

- Require all applicants for shareholding to declare if they are employees or Board members of any other housing association, including details of their role, both at the time of application and should they assume such a role during their time as a shareholder.