SP43 Staff Shareholding Membership Policy and Procedure

1. **Scope of policy**
   This policy will determine how the Board will approve and involve staff as shareholding members of Soha.

2. **Aim**
   Soha's vision is for strong, vibrant and sustainable communities where everyone can find a home.

   We became a mutual in October 2017, firstly opening up shareholding membership to our residents. Membership was then extended to staff in 2019 and the aim is to enable staff to share ownership of Soha and ensure the mutual structure matches our vision.

   Membership enables residents, community members and staff to hold Soha to account and to participate meaningfully in taking decisions that will help shape our future direction, strategy and investments.

3. **Policy Statement**
   Soha's Rules set out that membership is open to:
   - Residents (tenants, leaseholders or shared owners who are named on the tenancy agreement and are resident in a Soha property);
   - Employees; and
   - Members of the community

   In addition to the requirements set out in Soha's Rules, applicants for membership must agree that they will sign up to Soha's values, act in all times in the interest of Soha and for the benefit of the community.

   The Rules also state that the number of staff shareholding members is limited to no more than 15% of the total number of shareholding members (i.e. if there are 600 members, no more than 90 of those can be employees). This is to ensure that resident voices remain in the majority. If the number of staff shareholding members exceeds 15% of the total, then the person(s) who mostly recently became a member shall cease to be a member until such time as the number of resident shareholding members increases to at least 85% or the number of employee shareholding members decreases to below 15%.

   Shareholding members will be encouraged to play an active role throughout the year, as well as taking part in decision making through the AGM. At an AGM, no more than 15% of those present in person or by proxy can be employees who are attending in their capacity as a shareholding member.

Shareholding members will have a representative body. For employee members, this role will be carried out by the Staff Consultative Committee.

This policy aims to ensure a fair and consistent approach for all staff with regard to application for shareholding membership. No additional benefits will be given to employee shareholding members because of their shareholding status. They will receive the same employment rights as other employees.

4. Application and Approval Process

To apply for membership, staff will be required to complete an application form to confirm they meet the eligibility criteria as shown in the attached procedure.

Applications for membership will be considered and approved by the Personnel and Remuneration Committee on behalf of the Board. Information on the reason for applying to become a member will be provided for each application. Decisions will be made at least quarterly either electronically or at their meetings.

When an application has been approved by the Committee, details of the membership will be recorded in the membership register and the member of staff will be notified.

New applications for membership may be suspended in exceptional circumstances. Applicants will be informed of the reason(s) for suspension.

5. Involving Staff Shareholding Members

Being a member of Soha means that you have a unique voice in how the organisation is run and governed and that you also have ownership of how the organisation engages with and invests in our communities.

The Communities Strategy sets out how members, residents and the wider community will be able to lead Soha's engagement in their own community and direct Soha's investment in addressing local issues. Membership is both internally and externally facing and is therefore a bridge into supporting work in and harnessing the energies of our communities.

6. Resident Involvement

Resident involvement is not explicitly required for this policy as it relates to staff membership. However, residents approved the initial design of the membership model, the specific proposal to extend membership to staff in July 2019 and the required change to the Rules at the AGM in September 2019.

7. Responsibility

The Chair of the Board and the Chief Executive are responsible for implementing this policy.

8. Monitoring and Review

The success of membership is monitored via the Corporate Plan and the Communities Strategy. This policy will be reviewed every three years or sooner to reflect best practice.

9. Context

Soha's Rules and Standing Orders
Communities Strategy
SP37 Resident and Community Shareholding Membership Policy
SP06 Data Protection Policy and Privacy Notice
Employee Contract of Employment
Soha's Code of Conduct
NHF Code of Governance 2020

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Staff Consultative Committee review	10 December 2025	P&R Committee approved	18 November 2025
EIA Completed	4 November 2025	Board approved	29 January 2026
DPIA Completed	4 November 2025	Review date	By January 2029

Staff Shareholding Membership Procedure

Admission to membership
The Rules state that no more than 15% of the total amount of shareholding members can be employees. Applications will be considered on a first come, first served basis. A waiting list will be maintained if there are more employees who wish to become shareholding members than the maximum allowed.

Nature of shareholding
Shareholders can only belong to one of these classes:
- Resident shareholder
- Employee shareholder
- Other shareholder

Where a shareholder is both an employee and a resident, they will be defined as an employee shareholder. If they are no longer employed by Soha, they may be classed as a resident shareholder subject to fulfilment of the resident shareholder approval process.

Eligibility criteria
- Eligibility for admission to membership as defined in Soha's Rules under C6
- Uphold Soha's values
- Act in the best interests of Soha
- Act for the benefit of the community
- Agree to be bound by the Rules of Soha and all policies and procedures
- Set out the reason(s) for applying
- Pay the sum of £1.00

In addition, staff must:
- Be over the age of 18 years; and
- Have successfully completed their probationary period

Ending of shareholding
Employee shareholding will terminate if:
- Employment with Soha ends
- The number of employee members exceeds the 15% maximum of total shareholding members, then the employee who most recently became a member shall immediately cease to be a member
- Any of the criteria in C16 of Soha's Rules are enacted.

We reserve the right to end membership if serious disciplinary action is taken against an employee.

Procedure for admission and ending of shareholding
- The Personnel and Remuneration Committee on behalf of the Board is responsible for approval of applicants for membership.

- HR will notify the Membership Team if an employees' contract is terminated.

- The Company Secretary will notify the employee and the Membership Team if the number of employee members exceeds the maximum allowed. The employee will need to stand down from being a shareholding member until such time as the number of resident shareholding members increases to at least 85% or the number of employee shareholding members decreases to below 15%.