



Eldonian Community Based Housing Association (ECBHA)

Shareholding Application Prospectus

February 2026

Information and application procedure for individuals and organisations interested in becoming Shareholders of ECBHA.

Contents

1. Welcome from the Chair
2. Questions & Answers
3. Application Requirements
4. Application Process
5. Queries and Concerns
6. Application Form

ECBHA is an exempt charity providing quality, affordable housing, and housing services.

The Association is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 registered with Financial Conduct Authority (the FCA) with registration number 24822R.

The Association is a not for profit registered provider of social housing registered with the Regulator of Social Housing (RSH) with registration number C3609. The RSH is the regulator of registered providers of social housing in England.

1. Welcome from the Chair

Thank you for your interest in becoming a Shareholder of ECBHA.

This document aims to provide you with information regarding the definition of a Shareholder under the ECBHA Rules, what status, rights and responsibilities it entails and factors to consider when contemplating a Shareholder application.

This document also outlines the application process and provides the application form should you wish to proceed.

We do hope this document provides you with all the information you require to consider an application, however should you have any queries please get in touch via:

contactus@eldonians.org.uk

Once again, thank you for your interest and if you do decide to apply, we look forward to being in touch in due course.

Regards

Lee Gwynn - Chair

2. Questions & Answers

What is an ECBHA Shareholder?

The term 'shareholder' is often used in a range of contexts and has various uses and definitions, therefore it is important to ensure that you are familiar with the term in the ECBHA context.

ECBHA Shareholder are also sometimes referred to as being an ECBHA 'Members'.

In summary, ECBHA Shareholders 'own' a share in ECBHA. However:

- Shares only have a nominal value of £1.
- Shareholders cannot gain any financial benefit from their shareholding, as a result no interest, dividends or bonuses are paid to Shareholders.
- Shareholders can only own one share.
- Shares cannot be sold, transferred or inherited.

A Shareholder can be an individual, a 'corporate body' such as a company or an 'unincorporated body' such as a community group.

Shares are overwhelmingly held individually, there are very limited circumstances for a Share to be held jointly.

Shareholding commences when an applicants name and address is entered in the Register of Shareholders.

Shareholders have limited powers, mainly relating to voting for or against motions tabled at the Annual General Meeting and any Special General Meetings that may occasionally be called.

Full details can be found in the latest ECBHA Rules document. This is available as public record on the Financial Conduct Authority Mutuels Public Register:

<https://mutuals.fca.org.uk/Search/Society/26643>

Are all Residents Shareholders?

No, not all Residents are Shareholders.

Residents don't automatically become Shareholders when commencing their tenancy.

However Residents can apply to be Shareholders.

Can Anyone Be a Shareholder?

No, there are a number of different criteria that need to be met.

Firstly, the ECBHA Rules prevent some individuals from being Shareholders, in summary, these are:

- Individuals under 18 years of age
- A person previously expelled as a Shareholder, unless agreed by Shareholders under a special resolution
- An employee of ECBHA
- A person removed from the Board
- A person not deemed capable of exercising the rights of a Shareholder by a registered medical practitioner.
- A person convicted of a serious 'indictable' offence at Crown Court that cannot be considered 'spent'.

Secondly, the ECBHA Rules require that Residents must make up the majority of Shareholders, except when existing Resident Shareholders cease to be Shareholders or cease to be Residents, leaving the existing non-resident Shareholders in the majority.

When this occurs, no new non-resident Shares will be granted until the number of Resident held shares return to the majority. As at January 2026, the number of non-resident Shareholders exceed the number of Resident Shareholders, therefore in 2026 it is anticipated that only Residents will be considered for Shareholding applications.

The ECBHA Rules define a Resident as:

G5.18 Resident means a person who alone or jointly with others holds a tenancy, lease or licence to occupy the Association's premises or the premises of any other Group Member for residential use;

Therefore Resident applications for Shareholding need to be made by the individual or individuals that are named on the occupancy agreement, not members of the wider household.

Finally, The ECBHA Rules permit the Board to define in policy further criteria for membership. These criteria are outlined in the ECBHA Governance Policy Manual, and in summary state:

- Any person who has not been interviewed by the Chair/Secretary
- Any person with a conflict of interest
- Any person whose membership may not be in the interests of the Association
- Any person whose membership may adversely impact on the Association's work

What are the rights and responsibilities of Shareholders?

Rights: Shareholders only have the rights to exercise the powers expressly outlined in the ECBHA Rules or by legal statute.

Responsibilities: All Shareholders agree to be bound by the obligations on them as set out in the ECBHA Rules. Shareholders must act, at all times, in the interests of the ECBHA and for the benefit of the community.

In summary, these rights and responsibilities equate to powers relating to convening general meetings of Shareholders and voting on recommendations and motions that Shareholders are asked to consider, for example, approving the appointment of external auditors.

Do Shareholders get paid?

No, shareholders are not paid.

When and where do Shareholders meet?

Shareholders meet usually once per year at the Annual General Meeting (AGM). Usually during the AGM ECBHA annual accounts and annual report are presented and discussed, before Shareholders voting to approve them. Shareholders also vote regarding the appointment of the external auditors.

Occasionally Special General Meetings (SGM) are called when Shareholder approval is required for other matters. These don't happen often.

In recent years general meetings have been held at The Park Hotel, Dunnings Bridge Road, Liverpool. However the ECBHA Rules don't stipulate a location and therefore this is open to change.

AGM's in recent years have taken place around September each year.

At least 14 days notice is usually provided for meetings. Shareholders meet in person and are asked to send a message of apologies if they not able to attend.

Do all shareholders have the same votes?

Yes, all shareholders have one vote. In the rare cases of a joint shareholding, the joint holders of the share have just one vote between them, not a vote each.

When does a Shareholding end?

There are a number of ways a Shareholding can end. In summary there are:

- By a Shareholder informing the ECBHA Company Secretary that they no longer wish to be a Shareholder
- A Shareholder dies
- A Shareholder is expelled (usually by resolution at an AGM or SGM)
- A Shareholder fails to attend two AGM's and does not provide apologies or agree a proxy for their vote.
- ECBHA serves a notice on the Shareholder and the Shareholder fails to respond within one month of the notice being served confirming their intention to retain their Shareholding.
- A shareholder ceases to be eligible for Shareholding, for example being convicted of an offence that cannot be considered 'spent'.
- A Resident Shareholder is subject to a significant breach of their occupancy agreement.

When the Shareholding ends no payments are made.

Who creates the rules regarding Shareholding?

Shareholders approved the ECBHA Rules that govern their shareholding.

The Shareholder approved the most recent Rules in June 2023. All shareholders:

- are bound by the obligations of the rules
- must, at all times, act in the interest of the association
- must be guardians of the associations objectives
- hold only one share that is of nominal value
- have no right to interest, dividends or bonuses
- have no right to withdraw shares

Appropriate legal advice has and will be engaged when amendments to the ECBHA Rules are considered to ensure that they are meeting legal, contractual and regulatory requirements.

The Board periodically reviews the Rules and seeks assessment of compliance against them. Any proposed changes would be brought forward for Shareholders to approve at an AGM or SGM. The Rules to outline certain activities and powers that are delegated to the Board.

Why did ECBHA stop accepting or processing applications for Shareholding?

Following appropriate legal advice, while ECBHA was considered non-compliant with the Regulator of Social Housing (RSH) it was agreed that applications for shareholding would not be accepted or processed in order to target the organisations resources at achieving compliance, therefore safeguarding the independence and assets of the association.

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The Board regularly kept this decision under review. With significant progress made towards compliance, in February 2025 the Board approved that:

“Subject to the membership register being ‘clean’, the membership be re-opened within 8 weeks of ECBHA becoming compliant with the RSH regulatory standards.”

This was achieved in December 2025 and therefore ECBHA Board approved the opening to new Shareholding applications on 11th February 2026.

3. Application Requirements

In respect of admissions of Shareholders The ECBHA Rules require:

- The Board to set, review and publish policy and objectives to admit Shareholders (This is outlined in full details in the ECBHA Governance Policy Manual on the ECBHA website)
- That a Resident can be a Shareholder provided they are eligible
- Residents must be the majority of Shareholders
- Individuals appointed as Board members will also be considered Shareholders.
- Shareholder applicants must:
 - apply in writing to the ECBHA office
 - set out their reasons for applying
 - set out how they meet the requirements of the policy / objectives
 - pay £1 at the time of applying
- The Board to have absolute discretion to accept or reject an application.

The policy positions regarding Shareholding on the Governance Policy Manual include content that reiterates the Rules referenced above, however the policy positions also bring additional depth though clarifying that:

- Provided that Residents of the Association always form a majority, and they meet the criteria and requirements of the Rules and policy, anyone (including body corporates and nominees of unincorporated bodies) may apply to be a shareholder who:
 - has an interest in and can contribute to the Association's work and,
 - identifies with the Association's Mission Statement
- All Board members shall be appointed as a Member.
- Shareholding Members cannot be:
 - Any person who has not been interviewed by the Chair/Secretary.
 - Any person with a conflict of interest .
 - Any person whose membership may not be in the interests of the Association.
 - Any person whose membership may adversely impact the Association's work.
 - Any Board member who has been removed as a Board member.

The policy also outlines procedural requirements. These are integral to the application process summarised in the following steps:

4. Application Process

1. An applicant completes an application, setting out in writing their reasons for applying and how they meet any criteria set out in this policy and confirming their agreement to abide by the Rules and this policy.

The application form for this is provided in the next section of this document. Please print and complete, printed copies are available from the ECBHA Offices. If you need additional space in respect of any questions please continue on a separate sheet.

2. The application form should be completed and returned in hard copy to the ECBHA offices along with the sum of one pound (which shall be returned to them if the application is not approved). A receipt will be provided for both the application and the payment.
3. Applicants will receive a letter inviting them to attend an engagement session.
4. The engagement session will include a Presentation of the Association's history, achievements, current status, future goals, explanation of the Rules, what it is to be a Shareholder, a definition of a Share and how members can assist in the Association's work. This will be an opportunity for initial engagement with applicants.
5. Following the engagement session, applicants that remain interested in becoming Shareholder will be invited to an interview with the Chair and/or Secretary to consider the application in more detail.
6. Both the engagement session and the interview will take place within **six months** of the application being received.
7. Following the interviews the Chair and/or Secretary will present all applications, and their findings to the Board for consideration. All applications for membership will then be considered by the Board.

The Board has absolute discretion whether to accept or reject an application.

8. Applicants fulfilling the membership requirements and who are approved by the Board shall be issued with a £1 share and their names and other particulars will be entered onto the Association's Register of Shareholders.

Where an application is unsuccessful, a statement of the reasons for refusal will be given. An applicant will then have one further opportunity to request membership, and to give reasons why the decision should be changed. The Board will consider the reasons at its next practical meeting, and its decision on the application will be final.

Application for ECBHA Shareholding Membership

About You		
1	Full Name	:
2	Date of Birth	:
3	Telephone Number(s)	:
4	Email Address(s)	:
5	Current Full Home Address	
	:	
6	Do you reside in a ECBHA rented or shared ownership, or leasehold property?	Yes / No – Please delete as appropriate
7	Are you named on an ECBHA tenancy or lease?	Yes / No – Please delete as appropriate
8	Have you previously been an ECBHA Shareholder?	Yes / No – Please delete as appropriate If yes, dates:
9	Have you previously been an ECBHA Board Member?	Yes / No – Please delete as appropriate If yes, dates:
10	Do you have any convictions or pending charges relating to criminal offences that cannot be considered 'spent'?	Yes / No – Please delete as appropriate If yes, please provide a summary:

Your Application

6	What motivates you to become an ECBHA Shareholder? :
8	Please outline your understanding of the ECBHA objectives and mission statement? :
7	How have you positively contributed to ECBHA objectives and mission statement? :
8	What skills, knowledge and experience would you bring to support your Shareholder voting responsibilities? :
9	Are you aware of any incidents, conduct or actions that may bring into question your ability to act in the best interest of ECBHA? :

Managing Potential Conflicts of Interests

10	Please declare below any known connections to current or previous ECBHA Shareholders, Board Members, Management, Staff and Contractors
	:
11	Please declare below any known connections to other charities, organisations or entities that operate in the Vauxhall area of Liverpool.
	:

Concluding the Application Form

12	Please add anything further that you feels supports your Shareholder application
	:
13	Signed :
14	Dated :

For Office Use Only

15	Date Form Received & By	:
16	Date Payment Received & By	:
17	Date Receipt Issued & By	:
18	Date Engagement Session Attended	:
19	Date Interview Attended	:
20	Date Board Decision	:
21	Decision Outcome & Minute Ref	:
22	Decision Outcome:	Approved / Not Approved
23	Date Added to Register (If applicable)	:
24	Date Applicant Informed of Decision	:
	<i>If applicable:</i>	
25	Date of Appeal Received	:
26	Date of Board Reconsideration & Minute Ref	:
27	Appeal Outcome:	Approved / Not Approved (if approved complete 23)
28	Date Applicant Informed of Appeal Decision	: