



RULES of: Watford Community Housing Trust

*A Registered Society under the Co-operative and
Community Benefit Societies Act 2014*

Register No. 30183R

MODEL RULES 2015

National Housing Federation

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Part A Name and objects**Name**

- A1 The name of the Community Gateway Association shall be Watford Community Housing Trust (the Association).

Objects

- A2 The Association is formed for the benefit of the community. Its objects shall be to carry on for the benefit of the community:
- A2.1 the business of providing housing, social housing, accommodation, and assistance to help house people, and associated facilities and amenities for persons in financially necessitous circumstances or for the relief of aged, disabled (whether physically or mentally) or chronically sick people;
- A2.2 any other charitable object that can be carried out by a charitable registered society which is also registered as a provider of Social Housing with the Regulator.

Non-profit

- A3 The Association shall not trade for profit.
- A4 Nothing shall be paid or transferred by way of profit to Members of the Association.
- A5 Any profits shall only be applied for the purpose of furthering the Association's objects and/or in accordance with these Rules.

Part B Powers of Association, Board, and Members**Powers**

- B1 The Association shall have power to do anything that a natural or corporate person can lawfully do which is necessary or expedient to achieve its objects, except as expressly prohibited in these Rules and in particular it has powers:

Staff and advisers

- B1.1 to employ such staff or engage consultants and advisers on such reasonable terms and at such remuneration as is appropriate and to provide pensions and benefits to staff, their relatives and dependants;

Volunteers

- B1.2 to recruit or assist in recruiting, assisting and encouraging volunteers;

Property

- B1.3 to purchase, lease, exchange, hire or otherwise acquire any real or personal property rights or privileges (including shared or contingent interests);
- B1.4 to construct, alter, improve, convert, maintain, equip, furnish and/or demolish any property;
- B1.5 to sell, lease, mortgage, exchange, dispose of or otherwise deal with property;
- B1.6 to provide accommodation for any other charitable organisation whose objects are wholly or partly similar to the objects on such terms as the Board decides (including rent free or at nominal or non-commercial rents);

Borrowing treasury management

- B1.7 subject to F12 to F15 (inclusive) to borrow money or issue loan stock on such terms and on such security (including floating charges) as the Board thinks fit;

B1.7A to enter into and perform any derivative transaction on such terms as the Association thinks fit for the purpose of hedging or otherwise managing any treasury risk or other exposure of the Association;

Grants and Loans

B1.8 to make grants, donations or loans, to give guarantees and to give security for such guarantees subject to compliance with any guidance issued by the Regulator in this regard;

Raising funds

B1.9 to raise funds, to invite and receive contributions but in raising funds the Association may not carry on any substantial or permanent trade or business for the principal purpose of raising funds;

B1.10 to engage in trading activities in the course of furthering the objects and to make reasonable charges for services;

Research and Publicity

B1.11 to undertake or commission research into the work of the Association and to publish the useful results of it;

B1.12 to hold, conduct or promote meetings, conferences, lectures, exhibitions or training courses and to disseminate information to publicise the work of the Association and other organisations operating in similar fields;

Contracts

B1.13 subject to the provisions of any applicable law or regulatory policy and the Association's Probity Policy, to co-operate with and enter into contracts with any person;

Bank or building society accounts

B1.14 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank or building society accounts in the name of the Association;

Investments

B1.15 subject to rule F15, to invest the funds of the Association;

B1.16 to delegate to professional investment managers the exercise of the Association's power under rule B1.15 upon such terms and with such remuneration as the Board decides;

B1.17 to make such arrangements as the Board thinks fit for any investments of the Association or the income from those investments to be held by a corporate body, which is incorporated in England and Wales (or which has established a branch or a place of business in England or Wales) as the Association's nominee, and to pay reasonable and proper remuneration to that corporate body;

Insurance

B1.18 to insure the assets of the Association on such terms as the Board decides and to use any insurance money received in any manner the Board decides (without necessarily having to restore the asset);

B1.19 to insure and to indemnify its employees and voluntary workers from and against all risks and liabilities incurred in the performance of their duties;

B1.20 to take out insurance to protect the Association and those who use premises owned by or let or hired to the Association;

B1.21 to take out indemnity insurance to cover the liability of the Board Members and committee members and other officers of the Association (which for these purposes shall exclude any employees or voluntary workers) who are not Board Members for negligence, default, breach of duty or breach of trust in relation to the Association but this insurance may not extend to:-

B.1.21.1 any claim arising from any act or omission which a Board or officer knew was a breach of duty or breach of trust or which was committed by a Board Member or officer in reckless disregard of whether or not it was a breach of duty or breach of trust; or

B.1.21.2 the costs of an unsuccessful defence to a criminal prosecution brought against a Board Member or officer of the Association;

Other charitable organisations

B1.22 to establish, promote, assist or support (financially or otherwise) any charitable trusts, voluntary organisations, companies, Community Benefit Societies, associations or institutions formed for any of the objects or to carry on any other relevant charitable purposes (subject to complying with the requirements of the Regulator);

B1.23 to co-operate or join with any charity, voluntary body or public or statutory authority in furthering the objects or allied purposes and to exchange information, advice and undertake joint activities with them;

B1.24 to amalgamate or transfer its engagements to any charitable organisation which has objects similar to the objects;

B1.25 to undertake and execute any charitable trusts or to fulfil the engagements of any society which transfers its engagements to the Association;

Affiliation

B1.26 to affiliate, register with, subscribe to, or join any relevant organisation (including the National Housing Federation);

Reserves

B1.27 to accumulate income in order to set aside funds for special purposes or as reserves against future expenditure; and

Community Empowerment

B1.28 Establish a community fund for investment in community business, projects or activities in order to achieve the Association's objects;

B1.29 Enable members of the community to participate in the affairs of the Association and local tenant and resident groups;

B1.30 Deliver strategies for the wellbeing of the community both independently and in partnership with local authorities and other organisations;

B1.31 Develop and promote the rights of members of the community, employees of the Association and people dealing with the Association in accordance with the Charter of Fundamental Rights of the European Union and in particular the need to provide information to Members and conduct the affairs of the Association in accessible and appropriate ways;

B1.32 Provide tenants and members of the community with the opportunity to choose and exercise options in relation to the ownership, management and control of their housing and communities;

B1.33 Provide training and information to encourage community development;

B1.34 Promote equality and diversity for the benefit of the community;

B1.35 Promote for the benefit of the community urban and rural regeneration in areas of social and economic deprivation by all or any of the following means:

B.1.35.1 the relief of unemployment;

B.1.35.2 the creation of training and employment opportunities;

B.1.35.3 the maintenance, improvement or provision of public amenities;

B.1.35.4 the preservation of buildings or sites of historic or architectural interest;

- B.1.35.5 the protection or conservation of the environment;
- B.1.35.6 the provision of public health facilities and childcare;
- B.1.35.7 the promotion of public safety and prevention of crime;

B1.36 to do anything else within the law which promotes or helps to promote the objects.

General

- B2 The Association shall not have power to receive money on deposit.

Powers of the Board

- B3 The business of the Association shall be directed by the Board.
- B4 Apart from those powers which must be exercised in General Meeting:
- B4.1 by statute; or
 - B4.2 under these Rules;
- all the powers of the Association may be exercised by the Board for and in the name of the Association.
- B5 The Board shall have power to delegate, in writing, subject to rules D32-D36, the exercise of any of its powers. Such delegation may include any of the powers and discretions of the Board.

Limited powers of Members in General Meetings

- B6 The Association in General Meetings can only exercise the powers of the Association expressly reserved to it by these Rules or by statute.

General

- B7 The certificate of an Officer of the Association that a power has been properly exercised shall be conclusive as between the Association and any third party acting in good faith.
- B8 A person acting in good faith who does not have actual notice of these Rules or the Association's regulations shall not be concerned to see or enquire if the Board's powers are restricted by these Rules or such regulations.

Community empowerment

- B9 The Association will at all times have in place and operate the following:
- B9.1 A community empowerment strategy and programme to promote and provide options for increased Tenant and community control of their housing and communities;
 - B9.2 A strategy and programme to secure the widest possible community involvement in the Association;
 - B9.3 A strategy and programme for community development, training and communication, and the identification of local community areas and sub-areas within local community areas for the purpose of rules B9 to B14;
 - B9.4 A community options study (neighbourhood planning) procedure to enable local community areas and sub-areas to determine their wishes and aspirations;

- B9.5 A procedure to facilitate local community areas and sub-areas to establish local representative tenant and resident groups.
- B10 Subject to rule B11, where a tenant and resident group makes a proposal to the Board to vary the current provision of management of its housing, the Board shall:
 - B10.1 Satisfy itself that the tenant and resident group has a constitution that allows all Tenants in the local community area or sub-area to become members of the tenant and resident group, has an equal opportunities object of an acceptable standard, and meets other best practice requirements for the recognition of tenant and resident groups;
 - B10.2 Satisfy itself that the proposal is supported by the local community area or sub-area;
 - B10.3 Take reasonable steps to implement the proposal where the requirements of this rule B10 are satisfied and where applicable funding, regulatory or legal constraints permit.
- B11 Where a proposal under rule B10 involves a tenant management organisation or other such vehicle with an equivalent or higher level of delegated power, the Board shall:
 - B11.1 Satisfy itself (having acted reasonably and having obtained independent verification of such opinion) that such variation will not materially adversely prejudice the financial viability or reputation of the Association;
 - B11.2 Ensure that the proposal is communicated to all Tenants and Leaseholders in the local community area or sub-area;
 - B11.3 Ensure that a majority of those Tenants and Leaseholders in the local community area or sub-area, who express a preference, are in favour of the proposal;
 - B11.4 Instigate a feasibility study into the proposed organisation where the requirements of this rule B11 are satisfied, which shall include:
 - B.11.4.1 Group development, financial, equal opportunities and other non-technical training for the tenants and residents group;
 - B.11.4.2 An assessment of the competence of the tenants and residents group to satisfactorily govern their organisation and to take on the legal powers and responsibilities requested.
- B12 If the feasibility study in rule B11.4 concludes that the proposal is feasible, the Board shall:
 - B12.1 Ensure through a formal ballot of all Tenants and Leaseholders living in the local community area or sub-area that a majority of those that vote are in favour of the proposal;
 - B12.2 Following a positive ballot result pursuant to rule B12.1, instigate a development process for the proposed organisation, which shall include:
 - B.12.2.1 Further detailed technical and other training for the tenants and residents group;
 - B.12.2.2 Negotiation with the tenants and residents group regarding the terms and conditions to set up the proposed organisation;
 - B.12.2.3 The creation and, where applicable, registration of a legal body to receive the transfer or delegation under rule B13;

B.12.2.4 Any other requirements necessary to set up the proposed organisation.

B13 Where the requirements of rule B12 are satisfied, the Board shall do one or more of the following:

B13.1 Delegate any of its supervisory powers and responsibilities relating to that local community area or sub-area to the legal body set up under rule B12.2;

B13.2 Transfer assets, and/or delegate any of its powers or responsibilities and associated day to day management to the legal body set up under rule B12.2

To the extent that such delegation and/or transfers is necessary to give effect to the proposal for which Tenants and Leaseholders have voted.

B14 No transfer of assets or delegation of powers and responsibilities to local community areas or sub-areas shall take place except:

B14.1 In accordance with rules B11 and B12; and

B14.2 With the approval of any regulator or relevant authority; and

B14.3 In compliance with the legal obligations of the Association to third parties, and in particular (without limitation) any obligations of the Association to third party funders, lenders or security trustees; and

B14.4 Where the proposed organisation has been set up in such a way as to share the vision and values of the Association as a community gateway organisation;

Tenant involvement

B15 The Association shall actively promote Tenant and Leaseholder membership of and involvement in the association and the promotion and execution of its objects.

B16 The Association shall have in place a Gateway Committee whose purposes shall be to:

B16.1 represent Tenants to the Board of the Association;

B16.2 monitor and scrutinise the services provided by the Association to its Tenants (including, but not limited to, the effectiveness of such services and the efficiency with which they are provided) and report to the Board of the Association on these; and

B16.3 carry out such other activities as may be reasonably requested by the Board of the Association including, but not limited to matters requested under rule B18.

B17 The Gateway Committee shall be elected by the Association's Members in accordance with a policy agreed between the Gateway Committee and the Association. Only Members are eligible to become members of the Gateway Committee. For the purposes of this rule, "Members" shall include "Associate Members".

B18 Included in the role of the Gateway Committee shall be such responsibilities, duties and procedures as are required by the Board from time to time in connection with the election of new Tenant Board Members in accordance with rule D9.

B19 Members of the Association shall be able to submit Members' proposals on strategic and policy matters to the Board through the Gateway Committee, in accordance with a policy agreed between the Gateway Committee and the Association.

Community fund and aids and adaptations

B20 The Association shall, where it is financially viable for it to do so:

B20.1 contribute £250,000 (two hundred and fifty thousand pounds) per year to the community fund established and maintained pursuant to rule B1.28; and

- B20.2 maintain a budget of £350,000 (three hundred and fifty thousand pounds) per year for aids and adaptations for people with disabilities.

Part C Members and General Meetings

Obligations of Members

- C1 All Members agree to be bound by the obligations on them as set out in these Rules. When acting as a Member they shall act, at all times in the interests of the Association and for the benefit of the community, as guardians of the objects of the Association.

Nature of shares

- C2 The Association's share capital shall be raised by the issue of shares. Each share has the nominal value of ten pence which shall carry no right to interest, dividend or bonus.
- C3 Under the provisions of these Rules and for the avoidance of doubt no Shareholder is entitled to property of the Association in that capacity, and in the event of the death a person shall cease to be a Shareholder, their share shall be cancelled and the amount paid up on that share shall become the property of the Association. The following make provisions for representatives and nominees taking into account the provisions of these Rules:
- C3.1 The Co-operative and Community Benefit Societies Act 2014 (the “**Act**”) provides that a Shareholder may nominate a person or persons to whom property in the Association at the time of his/ her death shall be transferred. As any such share will have been cancelled, no person so nominated under the Act shall be entitled to any property of that Shareholder on their death.
- C3.2 No property shall be capable of transfer to any personal representative of a deceased Shareholder.
- C4 Upon a claim being made by a trustee in bankruptcy of a bankrupt Shareholder to the share held by that Shareholder, the Association shall transfer such share to which the trustee in bankruptcy is entitled and as the trustee in bankruptcy may direct them.
- C5 When a Member ceases to be a Member or is expelled from the Association, his or her share shall be cancelled. The amount paid up shall become the property of the Association.

Nature of Members

- C6 A Member of the Association is a person who is a Tenant and whose name and address is entered in the Register of Members.
- C7 The Association may have Associate Members and will maintain a separate Register of Associate Members. A person is eligible to become an Associate Member if they are either:
- C7.1 a person who lives in a property owned or managed by the Association but who is not a Tenant; or
- C7.2 a person who lives in a local community area but who is not a Tenant or otherwise lives in a property owned or managed by the Association; or
- C7.3 a Tenant who is the holder (alone or jointly with others) of a licence (as opposed to a tenancy or lease).
- C8 An Associate Member will not have any voting rights at any General Meeting of the Association, but may stand for election to the Gateway Committee and vote in elections to the Gateway Committee.

C9 The following cannot be Members:

- C9.1 a person aged under 16 years;
- C9.2 a person who has been expelled as a Member, unless authorised by special resolution at a General Meeting;
- C9.3 any person who is not, at the date these Rules are adopted or at the date of admission as a Member, a Tenant;
- C9.4 a local authority person unless he or she is also a Tenant and provided that such person together with other local authority persons who are Members does not cause the total number of local authority persons who are Members to be in excess of 33 1/3% of the total number of Members;
- C9.5 a Demoted Tenant; or
- C9.6 a person in respect of whom a registered medical practitioner who is treating that person gives a written opinion to the Association stating that the person has become mentally incapable of exercising their rights as a Member and may remain so for more than three months.

C10 No Member shall hold more than one share and each share shall carry only one vote. Shares shall be non-withdrawable.

C11 A share cannot be held jointly.

Admission of Members

C12 The Board shall set, review and publish its policies and objectives for admitting new Members. The Board shall only admit new Members in accordance with such policies.

C13 The Board shall offer Membership to every person of 16 years of age or more who agrees to be bound by these rules and is a Tenant and shall approve every application made in accordance with this rule C13 and rule C14.

C14 Applications for Membership and payment for shares shall be in such form as the Board may prescribe. The Board has the power in its absolute discretion to accept or reject the application. If the application is approved, the name of the applicant and the other necessary particulars shall be entered in the Register of Members. One share in the Association shall be issued to the applicant.

Ending of membership

C15 A Member shall immediately cease to be a Member if:

- C15.1 they die; or
- C15.2 they are expelled under rule C16; or
- C15.3 they withdraw from the Association by giving notice to the Secretary, which shall be effective on receipt, unless they are one of the last three remaining Members, in which case they must provide at least one month's written notice of the withdrawal to the Secretary; or
- C15.4 they cease to be eligible to be a Member under rule C9; or
- C15.5 they become a local authority person and together with such other persons who are Members their number will be in excess of 33 1/3% of the total number of Members. In the event two or more Members become local authority persons at the same time, the Board shall decide at its absolute discretion which persons shall cease to be a Member; or
- C15.6 in the case of an Associate Member, they cease to meet the relevant qualification criteria for associate membership

- C16 A Member or Associate Member may only be expelled by a Special Resolution at a special General Meeting called by the Board provided that the following rules apply to the process:
- C16.1 The Board must give the Member or Associate Member at least one month's notice in writing of the General Meeting. The notice to the Member/Associate Member must set out the particulars of the complaint of conduct detrimental to the Association and must request the Member/Associate Member to attend the meeting to answer the complaint.
 - C16.2 At the General Meeting called for this purpose the Members shall consider the evidence presented by the Board and by the Member/Associate Member (if any). The meeting may take place even if the Member/Associate Member does not attend.
 - C16.3 If the resolution to expel the Member/Associate Member is passed in accordance with this rule, the Member/Associate Member shall immediately cease to be a Member/Associate Member.

Annual General Meeting

- C17 The Association shall hold a General Meeting called the annual General Meeting within six calendar months after the close of each of its financial years or such later date as may be permitted by law. The functions of the annual General Meeting shall be:
- C17.1 to receive the annual report which shall contain:
 - C.17.1.1 the revenue accounts and balance sheets for the last accounting period;
 - C.17.1.2 the auditor's report (if one is required by law) on those accounts and balance sheets;
 - C.17.1.3 the Board's report on the affairs of the association including a report on the community empowerment strategy;
 - C.17.1.4 the Board's statement of the values and objectives of the association;
 - C.17.1.5 a statement of the current obligations of Board Members to the board and the association;
 - C.17.1.6 a statement of the skills, qualities and experience required by the Board amongst its Members;
 - C.17.1.7 the policy for admitting new Members; and
 - C.17.1.8 the procedure for electing Tenant Board Members
 - C17.2 subject to rules F3 and F4, to appoint the auditor (if one is required by law);
 - C17.3 to elect Board Members if applicable; and
 - C17.4 to transact any other general business of the Association set out in the notice convening the meeting including any business that requires a Special Resolution.

Special General Meetings

- C18 All General Meetings other than annual General Meetings shall be special General Meetings and shall be convened either:
- C18.1 upon an order of the Board; or
 - C18.2 upon a written requisition signed by twenty-five of the Members stating the business for which the meeting is to be convened; or

- C18.3 if within twenty-eight days after delivery of a requisition to the Secretary a meeting is not convened, the Members who have signed the requisition may convene a meeting.
- C19 A special General Meeting shall not transact any business that is not set out in the notice convening the meeting.

Calling a General Meeting

C20

- C20.1 All General Meetings shall be convened by at least fourteen Clear Days' written notice posted or delivered by hand or sent by Electronic Communication to every Member at the address or Electronic Communication address given in the share register. The notice shall state whether the meeting is an annual General Meeting or special General Meeting, the time, date and place of the meeting, details of any means of participation, attendance or communication by electronic facility or facilities and the business for which it is convened.
- C20.2 The Board may make whatever arrangements it considers appropriate to facilitate the attendance and participation of members at General Meetings including by means of electronic facility or facilities.
- C20.3 The Board shall determine in relation to each General Meeting the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be enabled to do so by means of electronic facility or facilities.
- C20.4 The accidental failure to give notice of a General Meeting to, or the non-receipt of a notice of a General Meeting by, any Member, or the attendance and voting at any meeting of any person subsequently found not to have been entitled so to attend and vote, and any other defect in the convening, calling and conduct of the meeting does not invalidate the proceedings at that meeting.

Proceedings at General Meetings

- C21 Before any General Meeting can start its business there must be a quorum. The quorum shall be twenty five Members (not including Associate Members) present in person or by proxy.
- C22 A meeting held as a result of a Members requisition will be dissolved if too few Members are present half an hour after the meeting is scheduled to begin.
- C23 All other General Meetings with too few Members will be adjourned to the same day, at the same time and at the registered office in the following week. If less than the number of Members set out in rule C21 are present within half an hour of the time the adjourned meeting is scheduled to have started, those Members present shall carry out the business of the meeting.
- C24 The Chair of any General Meeting can:
- C24.1 take the business of the meeting in any order that the Chair may decide; and
- C24.2 adjourn the meeting if the majority of the Members present in person or by proxy agree. An adjourned meeting can only deal with matters adjourned from the original meeting. An adjourned meeting is a continuation of the original meeting. The date of all resolutions passed is the date they were passed (as opposed to the date of the original meeting). There is no need to give notice of an adjournment or to give notice of the business to be transacted.

- C25 At all General Meetings of the Association the Chair of the Board shall preside. If there is no such Chair or if the Chair is not present or is unwilling or unable to act, the Senior Independent Director (if any) shall chair the meeting, failing which the Members present shall elect a Member to chair the meeting. The person elected shall be a Board Member if one is present and willing to act.

Proxies

- C26 A proxy can be appointed by delivering a written appointment, which may be by way of Electronic Communication, to the registered office, or such other place as may be selected by the Board and stated in the meeting notice, at least 48 hours before the date of the meeting at which the proxy is authorised to vote. It must be signed or confirmed by Electronic Communication and sent by the Member or a duly authorised attorney. Any proxy form delivered late shall be invalid. Any question as to the validity of a proxy shall be determined by the chair of the meeting whose decision shall be final.

Voting

- C27 Subject to the provisions of these Rules or of any statute, a resolution put to the vote at a General Meeting shall, except where a ballot is demanded or directed, be decided upon a show of hands. Any reference in these Rules to a show of hands shall include any other method of voting on a show of hands, and any vote cast by that method shall be counted in determining the result of the show of hands. The accidental omission to count any vote on a show of hands shall not invalidate the result of the proceedings
- C28 On a show of hands every Member (not including Associate Members) present in person and on a ballot every Member (not including Associate Members) present in person or by proxy shall have one vote. In the case of an equality of votes the chair of the meeting shall have a second or casting vote.
- C29 Unless a ballot is demanded (either before or immediately after the vote), a declaration by the chair of the meeting that a resolution on a show of hands has been carried or lost, unanimously or by a particular majority, is conclusive. An entry made to that effect in the book containing the minutes of the proceedings of the Association shall be conclusive evidence of that fact.
- C30 Any question as to the acceptability of any vote whether tendered personally or by proxy, shall be determined by the chair of the meeting, whose decision shall be final.
- C31 A ballot on a resolution may be demanded by any three Members at a meeting (in person or by proxy) or directed by the chair of the meeting (and such demand or direction may be withdrawn). A ballot may be demanded or directed after a vote on the show of hands, and in that case the resolution shall be decided by the ballot.
- C32 A ballot shall be taken at such time and in such manner as the chair of the meeting shall direct. The result of such a ballot shall be deemed to be the resolution of the Association in General Meeting.

Part D The Board

Functions

- D1 The Association shall have a Board who shall direct the affairs of the Association in accordance with its objects and these Rules and ensure that its functions are properly performed. These functions will be agreed by the Board and set out separately in a code of governance or otherwise in writing.

Composition of the Board

- D2 The Board shall consist of between five and twelve Board Members (including co-optees).
- D3
- D3.1 Up to two Board Members shall be Tenant Board Members appointed in accordance with rule D9 provided that no more than one of the Tenant Board Members shall be a Leaseholder;
- D3.2 One Board Member may be a Council Board Member appointed in accordance with rule D12;
- D3.3 The Board Members shall appoint Independent Board Members in accordance with rule D10 provided that in the event that fewer than one third of Board Members are Independent Board Members the Board shall use its reasonable endeavours to appoint further Independent Board Members and may act notwithstanding the requirements of this rule D3.3; and
- D3.4 No more than two Board Members may be local authority persons.
- D4
- D4.1 The Board shall make available the obligations (including the expected standards of conduct) of every Board Member (including co-optees) to the Board and to the Association. The Board shall review and may amend the obligations of Board Members from time to time.
- D4.2 Any Board Member (including any committee member) or co-optee who has not signed a statement confirming that they will meet their obligations (including the expected standards of conduct) to the Board of the Association without good cause within one month of election or appointment to the Board or, if later, within one month of adoption of these Rules, shall immediately cease to be a Board Member or co-optee unless the Board resolves to disapply this rule in respect of any Board Member or co-optee.
- D5 The Board may appoint co-optees to serve on the Board on such terms as the Board resolves and may remove such co-optees. Not more than two co-optees can be appointed to the Board or to any committee respectively at any one time. A co-optee may act in all respects as a Board Member, but they cannot take part in the deliberations nor vote on the election of Officers nor any matter directly affecting Members. A local authority person may be co-opted to the Board but only if to do so would not result in more than two local authority persons sitting on the Board (including co-optees) at any one time.
- D6 For the purposes of these Rules and of the Act, a co-optee is not included in the expression "Board Member" or "Member of the Board". For the purposes of the Housing and Regeneration Act 2008, Board Members and co-optees are officers.
- D7 No one can become or remain a Board Member, a committee member or co-optee at any time if:
- D7.1 they are disqualified from acting as a director of a company, as a Board Member of another registered society or as a charity trustee for any reason; or
- D7.2 they have been convicted of an indictable offence which is not, or cannot be, spent; or
- D7.3 a composition is made with that person's creditors generally in satisfaction of that person's debts; or

- D7.4 they have absented themselves from three consecutive meetings of the Board or committee (as the case may be) in one rolling twelve-month period without special leave of absence from the Board; or
- D7.5 a registered medical practitioner who is treating that person gives a written opinion to the Association stating that that person has become physically or mentally incapable of acting as a Board Member, co-optee or committee member and may remain so for more than three months; or
- D7.6 they are a Tenant and in the opinion of the Board are in material or serious breach of their tenancy agreement or lease or are subject to a possession order or are in breach of a suspended possession order, or are subject to any of the following types of court order: anti-social behaviour order, anti-social behaviour injunction, demoted tenancy, or closure order; or
- D7.7 they are a Tenant and the Association has obtained an order of a competent court or tribunal against them for recovery of monies due from them to the Association provided that if the order is suspended or is an order for payment in instalments they shall only cease to be a Board Member, co-optee or committee member upon failing to meet the terms of the order; or
- D7.8 they are a Tenant Board Member and they cease to be a Tenant provided that this rule D7.8 shall not apply in respect of a Tenant Board Member temporarily ceasing to be a Tenant as a result of the demolition of or works carried out to the Tenant Board Member's home; or
- D7.9 they are an Independent Board Member and they become a Tenant, Leaseholder or a local authority person; or
- D7.10 the number of Board Members who are local authority persons exceeds the limit in rule D3.4. When such limit is exceeded, the Board Member who has most recently become a local authority person shall immediately cease to be a Board Member, but a Board Member nominated by the Council shall cease to be a Board Member after all other local authority persons have ceased to be Board Members; or
- D7.11 they resign their office by written notice to the Secretary; or
- D7.12 they are removed from the Board by at least three-fourths of the votes cast at both a General Meeting and at a Board meeting by the other Board Members and any Board Member, co-optee or committee member who at any time ceases to qualify under this rule shall immediately cease to be a Board Member, co-optee or committee member (as appropriate).
- D8 A Board Member may be removed from the Board by a resolution passed by two-thirds of the Board Members, excluding the Board Member subject of the proposed removal and excluding co-optees and employees, provided the following conditions are satisfied:
- D8.1 at least fourteen day's notice of the proposed resolution has been given to all Board Members; and
- D8.2 the notice sets out in writing the reasons for the removal; and
- D8.3 the Board is satisfied that the reasons justify the removal.

Terms of office and election or appointment to the Board

- D9 Tenant Board Members

- D9.1 Tenant Board Members shall be directly or indirectly elected to the Board from amongst the Membership of the Association in accordance with any policy decided by the Board (settled in consultation with the Gateway Committee) for that purpose provided that no more than one of the Tenant Board Members shall be a Leaseholder of the Association. Only Members who are not Associate Members or employees of the Association or any other Group Member are eligible to become Tenant Board Members.
- D9.2 Subject to rules D9.4, D9.5 and D11, each Tenant Board Member shall be elected to the Board for a fixed term of three years (or as close thereto as practicable) commencing on the date of the annual General Meeting at which they are elected. No fixed term shall be set which would cause the relevant Tenant Board Member to serve beyond their sixth consecutive annual General Meeting (and for this purpose time served on the Gateway Committee or a committee of the Association or the Board or committee of another Group Member or on the Board or committee of any predecessor of the Association of another Group Member shall be counted), save where the Board agrees that circumstances exist where it would be in the best interests of the Association for a Board Member to serve for a longer period.
- D9.3 The Secretary shall announce the results of the elections at or before each relevant annual General Meeting and the Tenants so elected shall be duly appointed as Tenant Board Members with effect from the end of that annual General Meeting and without any further formality.
- D9.4 At every annual General Meeting each Tenant Board Member elected under rule D9 who has served their fixed term shall retire from office.
- D9.5 Subject to rule D11, a Tenant Board member who retires under D9.4 above may, if willing to act, be re-elected.
- D10 Independent Board Members
- D10.1 Each Independent Board Member shall be elected in accordance with any Board membership policies adopted by the Board from time to time and shall be elected for a fixed term of office expiring at the conclusion of an annual General Meeting (each a "fixed term"). The fixed term shall be for a term of three annual General Meetings unless the Board has set a lower number of annual General Meetings for the relevant Board Member on their election. No fixed term shall be set which would cause the relevant Board Member to serve beyond their sixth consecutive annual General Meeting (and for this purpose time served on a committee of the Association or the Board or committee of another Group Member or on the Board or committee of any predecessor of the Association of another Group Member shall be counted), save where the Board agrees that circumstances exist where it would be in the best interests of the Association for a Board Member to serve for a longer period.
- D10.2 At every annual General Meeting each Independent Board Member elected under rule D10 who has served their fixed term shall retire from office. Any Independent Board Member who retires from office at an annual General Meeting under this rule D10.2 shall be eligible for re-election subject to any Board membership policies and subject to any restrictions contained within these Rules.
- D11 Any Board Member retiring under rule D9.4 or D10.2 having completed six years' continuous service (or six years' continuous service plus any extended period agreed by the Board) on either the Board of the Association and/or a committee of the Association and/or the Board of a Group Member and/or a committee of another Group Member (or any predecessor) shall not be eligible for re-appointment or re-election.
- D12 Council Board Member

- D12.1 The Council has the right to nominate one person as a Council Board Member in accordance with any Board membership policies adopted by the Board from time to time.
- D12.2 The Council may withdraw a Council Board Member at any time.
- D12.3 A Council Board Member shall be appointed in accordance with any Board membership policies adopted by the Board from time to time and shall be appointed for a fixed term of office expiring at the conclusion of an annual General Meeting (each a “fixed term”). The fixed term shall be for a term of one annual General Meeting unless the Board has set a higher number of annual General Meetings for the relevant Board Member on their election. No fixed term shall be set which would cause the relevant Council Board Member to serve beyond their sixth consecutive annual General Meeting (and for this purpose time served on a committee of the Association or the Board or committee of another Group Member or on the Board or committee of any predecessor of the Association of another Group Member shall be counted), save where the Board agrees that circumstances exist where it would be in the best interests of the Association for a Council Board Member to serve for a longer period.
- D12.4 At every annual General Meeting each Council Board Member appointed under rule D12.3 who has served their fixed term shall retire from office. Any Council Board Member who retires from office at an annual General Meeting under this rule D12.4 shall be eligible for re-appointment subject to rule D12.2 and any Board membership policies and subject to any restrictions contained within these Rules.
- D13 Subject to rules D2 and D12.1, the Board may appoint a person who is willing to act as a Board Member to fill a vacancy. If the vacancy in question is for:-
- D13.1 A Tenant Board Member, the Board shall proceed to appoint a person willing to act as a Board Member to fill the vacancy in accordance with the policy decided under rule D9.1; or
- D13.2 a Council Board Member, the Council shall be invited to appoint a new Council Board Member, but in the event that the Council has not made such an appointment within three months of being notified of a vacancy for a Council Board Member, the Board may proceed to appoint a person who is willing to act as Board Member to fill the vacancy.
- Any Independent Board Member or Tenant Board Member appointed by the Board to fill a vacancy pursuant to this rule D13 shall hold office until such time as the Board Member he or she replaced (“the predecessor”) would have been deemed to have retired in accordance with rule D9 or rule D10 (as applicable) and if not reappointed or re-elected (as applicable) with effect from the relevant annual General Meeting, he shall vacate office at the conclusion thereof. Any Council Board Member appointed by the Board to fill a vacancy pursuant to this clause D13 shall hold office until such time as the Council exercises its right to appoint a replacement Council Board Member in accordance with rule D12.1.
- D13.3 The Board may not appoint or co-opt employees to the Board.

Quorum for the Board

D14

- D14.1 Subject to the provisions of rule D14.2 six Board Members shall form a quorum.
- D14.2 If the number of Board Members falls below the number and make up necessary for a quorum, the remaining Board Members may continue to act as the Board for a maximum period of six months and the provisions of rule D14.1 shall be suspended for that time. At the end of that time the only power that the Board

may exercise shall be to call a General Meeting of the Association to bring the number and make up of Board Members up to that required by these Rules.

Board Members' interests

- D15 No Board Member, co-optee or member of a committee shall have any financial interest in any contract or other transaction with the Association or with any other Group Member, or be granted a benefit by the Association, unless such interest or benefit:
- D15.1 is expressly permitted by these Rules; or
 - D15.2 would not be in breach of, and would not be inconsistent with, any guidance, standard or code published by the Regulator, section 122 of the Housing and Regeneration Act 2008 or any code of conduct and/or governance adopted by the Board.
- D16 Any Board Member, co-optee or member of a committee, having an interest in any arrangement between the Association and someone else shall disclose their interest before the matter is discussed by the Board or any committee. Such disclosure must comply with any code of conduct and/or governance adopted by the Board from time to time. Unless it is expressly permitted by these Rules they shall not remain present (unless requested to do so by the Board or committee) and they shall not have any vote on the matter in question.
- D17 Subject to rule D18, if a question arises at a meeting of Board Members or of a committee of the Board as to the right of a Board Member, co-optee or member of a committee to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair or chair of the committee in the case of a member of a committee, whose ruling in relation to any Board Member, co-optee or member of a committee (other than the Chair or chair of the committee) is to be final and conclusive.
- D18 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair or chair of the committee, the question is to be decided by a decision of the Board Members or members of that committee at that meeting, for which purpose the Chair or chair of the committee is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- D19 Any decision of the Board or of a committee shall not be invalid because of the subsequent discovery of an interest which should have been declared.
- D20 Every Board Member, co-optee and member of a committee shall ensure that the Secretary at all times has a list of:
- D21 all other bodies in which they have an interest as:
- D21.1 a director or Officer; or
 - D21.2 a member of a firm; or
 - D21.3 an official or elected member of any statutory body; or
 - D21.4 the owner or controller of more than two per cent of a company the shares in which are publicly quoted or more than ten per cent of any other company; or
 - D21.5 any property owned or managed by the Association which they occupy; or
 - D21.6 any other significant or material interest.
- D22 If requested by a majority of the Board Members or Members of a committee (as appropriate) at a meeting convened specially for the purpose, a Board Member, co-optee or member of a committee failing to disclose an interest as required by these

Rules shall vacate their office either permanently or for a period of time as the Board directs.

D23 Notwithstanding rule D15, the Association may:

- D23.1 pay properly authorised expenses to Board Members, co-optees and members of committees when actually incurred on the Association's business;
- D23.2 pay insurance premiums in respect of insurance taken out to insure Officers and employees;
- D23.3 pay reasonable and proper remuneration, fees, allowances or recompense for loss of earnings to Board Members, co-optees and members of committees following appropriate independent advice;
- D23.4 subject to compliance with Section 122 of the Housing and Regeneration Act 2008, and subject to compliance with any code of conduct and/or governance adopted by the Board from time to time grant reasonable and proper benefits to Board Members, co-optees and members of committees; and
- D23.5 grant benefits to Board Members, co-optees or members of committees who are beneficiaries which are granted on the same terms and in accordance with the same criteria as they would be granted to any other beneficiary of the Association.

D24 A Board Member, co-optee or member of a committee shall not have an interest for the purpose of rules D15 to D20 as a Board Member, director or Officer of any other Group Member.

D25 Board Members, co-optees or members of committees who are Tenants shall be deemed not to have an interest for the purpose of rules D15 to D20 in any decision affecting all or a substantial group of Tenants.

D26 Provided that the interest has been properly disclosed pursuant to rule D16, a Board Member, co-optee or member of a committee may remain present during the discussion and may vote on the matter under discussion where the interest arises because they are an official, elected member or employee of a Relevant Authority.

Meetings of the Board

D27 The Board shall meet at least three times every calendar year. At least seven days' written notice of the date and place of every Board meeting shall be given by the Secretary to all Board Members and co-optees.

D28 Notice under rule D27 may be delivered by hand, sent by post or Electronic Communication.

D29 The Board may meet on shorter notice where not less than seventy-five per cent of the Board Members so agree.

D30 Meetings of the Board may be called by the Secretary, or by the Chair, or by two Board Members who give written notice to the Secretary specifying the business to be carried out. The Secretary shall send a written notice to all Board Members and co-optees to the Board as soon as possible after receipt of such a request. Pursuant to the request, the Secretary shall call a meeting on at least seven days' notice but not more than fourteen days' notice to discuss the specified business. If the Secretary fails to call such a meeting then the Chair or two Board Members, whichever is the case, shall call such a meeting.

D31 Meetings of the Board or a committee can take place in any manner and through any medium which permits those attending to hear and comment on the proceedings. Any person who attends in this manner will be deemed to be present at the meeting whether or not all are assembled in one place.

Management and delegation

- D32 The Board may delegate any powers under written terms of reference to its committees or to Officers or employees. Those powers shall be exercised in accordance with any written instructions given by the Board.
- D33 The Board may reserve to itself certain significant matters that cannot be delegated to committees or employees.
- D34 The Membership of any committee shall be determined by the Board. Every committee shall include one Board Member or co-optee to the Board. The Board will appoint the chair of any committee and shall specify the quorum.
- D35 All acts and proceedings of any committee shall be reported to the Board.
- D36 No committee can incur expenditure on behalf of the Association unless at least one Board Member or co-optee of the Board on the committee has voted in favour of the resolution and the Board has previously approved a budget for the relevant expenditure.
- D37 The Gateway Committee shall not be a committee of the Board or the Association for the purposes of these Rules.

Miscellaneous provisions

- D38 All decisions taken at a Board or any committee meeting in good faith shall be valid even if it is discovered subsequently that there was a defect in the calling of the meeting, or the appointment of the members at a meeting.
- D39 A resolution sent to all Board Members or all members of a committee and signed, or confirmed by Electronic Communication by three-quarters of the Board Members or three-quarters of the members of a committee shall be as valid and effective as if it had been passed at a properly called and constituted meeting of the Board or committee. A written resolution may consist of documents in the same form and signed or confirmed by Electronic Communication by one or more persons.
- D40 Notice may be given to Board Members or members of a committee by hand, post or Electronic Communication at the last address for such communication given to the Secretary. The accidental failure to give notice to a Board Member or member of a committee or the failure of the Board Member or committee member to receive such notice shall not invalidate the proceedings of the Board.

Part E Chair, Senior Independent Director, chief executive, Secretary and other Officers**The Chair**

- E1 The Association shall have a Chair of the Board, who shall chair Board meetings, and shall be elected by the Board on such terms as the Board determines. The Association may also have a Senior Independent Director who, in the Chair's absence, shall act as the Chair and have the Chair's powers and duties and who shall be elected by the Board. The arrangements for election and removal of any Senior Independent Director shall be determined by the Board.
- E2 The first item of business for any Board meeting when there is no Chair (or Senior Independent Director) or the Chair (or Senior Independent Director) is not present shall be to elect a Chair for the purpose of the meeting. The Chair shall at all times be a Board Member and cannot be an employee.
- E3 In a case of an equality of votes, the Chair shall have a second vote.
- E4 The Chair of the Board of Association may be removed at a Board meeting called for that purpose provided the resolution is passed by at least two-thirds of the Board Members present and voting at the meeting.

The Chair's responsibilities

- E5 The Chair's responsibilities will be set out in a written document and agreed by the Board.

The chief executive

- E6 The Association may have a chief executive appointed by the Board. The chief executive shall be appointed with a written and signed contract of employment, which shall include a clear statement of the duties of the chief executive.

The Secretary

- E7 The Association shall have a Secretary who shall be appointed by the Board and who may be an employee. The Board may also appoint a deputy Secretary (who may also be an employee) to act as Secretary in the Secretary's absence. The Secretary's duties will be clearly set out in writing and agreed by the Board.

Other Officers

- E8 The Board may designate as Officers such other executives, internal auditor and staff of the Association on such terms (including pay) as it from time to time decides.

Miscellaneous

- E9 Every Officer or employee shall be indemnified by the Association for any amount reasonably incurred in the discharge of their duty.
- E10 Except for the consequences of their own dishonesty or negligence no Officer or employee shall be liable for any losses suffered by the Association or any Group Member.

Part F Financial control and audit**Auditor**

- F1 The Association, if required by law to do so, shall appoint an auditor to act in each financial year. They must be qualified as provided by Section 91 of the Act.
- F2 The following cannot act as auditor:
- F2.1 an Officer or employee of the Association;
- F2.2 a person employed by or employer of, or the partner of, an Officer or employee of the Association.
- F3 The Association's auditor may be appointed by the Board or by a resolution of Members.
- F4 Where an auditor is appointed to audit the accounts for the preceding year, they shall be re-appointed to audit the current year's as well unless:
- F4.1 a General Meeting has appointed someone else to act or has resolved that the auditor cannot act; or
- F4.2 the auditor does not want to act and has told the Association so in writing; or
- F4.3 the person is not qualified or falls within rule F2 (above); or
- F4.4 the auditor has become incapable of acting; or
- F4.5 notice to appoint another auditor has been given.

F5

- F5.1 No less than twenty-eight days' notice shall be given for a resolution to appoint another person as auditor, or to forbid a retiring auditor being re-appointed;
- F5.2 the Association shall send a copy of the resolution to the retiring auditor and also give notice to Members at the same time and in the same manner, if possible;
- F5.3 if not, the Association shall give notice by advertising in a local newspaper at least 14 days before the proposed meeting. The retiring auditor can make representations to the Association which must be notified to Members under Section 95 of the Act.

Auditor's duties

- F6 The findings of the auditor shall be reported to the Association, in accordance with Section 87 of the Act.
- F7 The Board shall produce the revenue account and balance sheet audited by the auditor, if required, and the auditor's report, if required, at each annual General Meeting. The Board shall also produce its report on the affairs of the Association which shall be signed by the person chairing the meeting which adopts the report.

Accounting requirements

- F8 The end of the accounting year must be a date allowed by the Registrar.
- F9 The Association shall keep proper books of account detailing its transactions, its assets and its liabilities, in accordance with Sections 75 and 76 of the Act.
- F10 The Association shall establish and maintain satisfactory systems of control of its books of account, its cash and all its receipts and payments.

Annual returns and balance sheets

- F11 Every year, within the time period specified by legislation, the Secretary shall send the Association's annual return to the Registrar. The return shall be prepared in accordance with the period specified in the Act, or such other date allowed by the Registrar and shall be lodged within the period required by law. The annual return shall be accompanied by the auditor's report, if required, for the period of the return and the accounts and balance sheets to which it refers.

Borrowing

- F12 The total borrowings of the Association at any time shall not exceed £500 million (five hundred million) pounds sterling or such a larger sum as either the Board determines from time to time or the Association determines from time to time in General Meeting. For the purpose of this rule F12, at any relevant time, any amount of the Association's borrowings in any currency other than pounds sterling (as may be permitted or not prohibited by the Regulator from time to time) shall be converted to sterling using the exchange rate or rates applicable under the related Derivative Transaction or transactions by which the Association has hedged its exposure to currency exchange rate movements in relation to the principal amount of such borrowings, or in the absence of such a rate or rates (in whole or in part) using the official spot exchange rate or rates recognised by the Bank of England for the conversion of that currency or currency unit into sterling at or about 11:00 on the relevant day.
- F13 The rate of interest payable at the time terms of borrowing are agreed on any money borrowed shall not exceed the rate of interest which, in the opinion of the Board, is reasonable having regard to the terms of the loan. The Board may delegate the determination of the said interest rate within specified limits to an Officer, Board Member or member of a committee.

F14

F14.1 In respect of any proposed borrowing, for the purposes of rule F12 and in relation to the amount remaining un discharged of any deferred interest or index-linked monies or amounts on any deep discounted security previously borrowed by the Association, the amount of such pre-existing borrowing shall be deemed to be the amount required to repay such pre-existing borrowing in full if such pre-existing borrowing became repayable in full at the time of the proposed borrowing; and

F14.2 For the purposes of rule F13 in respect of any proposed borrowing intended to be on deferred interest or index-linked terms or on any deep discounted security the amount of borrowing shall be deemed to be the proceeds of such proposed borrowing receivable by the Association at the time of the proposed borrowing; and

F14.3 No person dealing in good faith with the Association shall be concerned to know whether rule F12, F13 or this rule F14 have been complied with.

Investment

F15 The funds of or monies borrowed by the Association may be invested by the Board in such manner as it determines.

Part G Miscellaneous and statutory**Registered office and name**

G1 The Association's registered office is: Gateway House, 59 Clarendon Road, Watford, Hertfordshire WD17 1LA

G2 The Association's registered name must:

G2.1 be placed prominently outside every office or place of business; and

G2.2 be engraved on its seal; and

G2.3 be stated on its business letters, notices, advertisements, official publications, cheques, invoices, website and any other formal corporate communication whether electronic or otherwise.

Disputes

G3 Any dispute on a matter covered by these Rules shall be referred by either party to a suitably qualified independent mediator for settlement. The mediator shall be appointed by agreement between the parties or, in default of agreement, by the Centre for Effective Dispute Resolution whether the disagreement be as to the qualifications, the identity of the mediator or otherwise. The mediation will be conducted in accordance with the requirements of the mediator. Both parties will be obliged to comply and co-operate with this procedure at each stage and to share equally the costs of appointment of the relevant mediator as referred to above. Costs thereafter will be borne as the mediator will determine. Where the dispute is not resolved by mediation, any claim shall be dealt with in the county court which shall have sole jurisdiction over any dispute arising under the Rules.

Minutes, seal, registers and books

G4 The minutes of all general meetings and all board and committee meetings shall be recorded, agreed by the relevant subsequent meeting and signed by whoever chairs the meeting and kept safe.

- G5 The Secretary shall keep the seal. It shall not be used except under the Board's authority. It must be affixed by one Board Member signing and the Secretary countersigning or in such other way as the Board resolves. The Board may in the alternative authorise the execution of deeds in any other way permitted by law.
- G6 The Association must keep at its registered office:
- G6.1 the Register of Members showing:
 - G.6.1.1 the names and addresses of all the Members; and
 - G.6.1.2 a statement of all the shares held by each Member and the amount paid for them; and
 - G.6.1.3 a statement of other property in the Association held by the Member; and
 - G.6.1.4 the date that each Member was entered in the Register of Members;
 - G6.2 a duplicate register of Members showing the names and addresses of Members and the date they became Member;
 - G6.3 a register of the names and addresses of the Officers, their offices and the dates on which they assumed those offices as well as a duplicate;
 - G6.4 a register of holders of any loan;
 - G6.5 a register of mortgages and charges on land; and
 - G6.6 a copy of the Rules of the Association.
- G7 The Association must display a copy of its latest balance sheet and auditor's report (if one is required by law) at its registered office.
- G8 The Association shall give to all Members on request copies of its last annual return with the auditor's report (if one is required by law) on the accounts contained in the return, free of charge.
- G9 The Secretary shall give a copy of these Rules to any person on demand who pays such reasonable sum as permitted by law.

Statutory applications to the Registrar

- G10 Ten Members can apply to the Registrar to appoint an accountant to inspect the books of the Association, provided all ten have been Members of the Association for a twelve-month period immediately before their application.
- G11 The Members may apply to the Registrar in order to get the affairs of the Association inspected or to call a special General Meeting. One hundred Members, or one-tenth of the Members, whichever is the lesser, must make the application.

Amendment of Rules

- G12
- G12.1 The Rules of the Association may be rescinded or amended but not so as to stop the Association being a charity in law.
 - G12.2 Rules A2; A3; A4; B1;B2; B3; C2; C3; D14; D27, G12 and G14 can only be amended or rescinded by way of three-fourths of the votes cast at a General Meeting. Any other rule can be rescinded or amended by two-thirds of the votes cast at a General Meeting. In respect of rules A2 and G14, these rules can only be amended following approval by three-fourths of the vote at a board meeting.

- G12.3 Amended Rules shall be registered with the Registrar as soon as possible after the amendment has been made. An amended rule is not valid until it is registered.

Dissolution

- G13 The Association may be dissolved by a three-fourths majority of Members who sign an instrument of dissolution in the prescribed format or by winding-up under the Act.
- G14
- G14.1 Any property that remains, after the Association is wound-up or dissolved and all debts and liabilities dealt with, the Members may resolve to give or transfer to another charitable body with objects similar to that of the Association.
- G14.2 If no such institution exists, the property shall be transferred or given to the Housing Associations Charitable Trust.
- G14.3 If the Association is registered as a provider of social housing with the Regulator any transfer or gift must be in compliance with the Housing and Regeneration Act 2008 or any other relevant legal and Regulatory provisions which exist from time to time and the Association's Probity Policy.

Interpretation of terms

- G15 In these Rules, including this rule, unless the subject matter or context is inconsistent:
- G15.1 words importing the singular or plural shall include the plural and singular respectively;
- G15.2 words importing gender shall include the male and female genders;
- G15.3 **Amendment of Rules** shall include the making of a new rule and the rescission of a rule, and "amended" in relation to Rules shall be construed accordingly;
- G15.4 the **Act** shall mean the Co-operative and Community Benefit Societies Act 2014;
- G15.5 **Associate Members** shall mean a person who is appointed in accordance with Rule C7;
- G15.6 the **Association** shall mean the Association of which these are the registered Rules;
- G15.7 **Board** shall mean the Board appointed in accordance with Part D and **Board Member** or shall mean a member of the Board for the time being but shall not include a person co-opted to the Board under rule D5;
- G15.8 **Chair** shall mean the person appointed as Chair in accordance with rule E1 and where applicable shall include the Senior Independent Director;
- G15.9 **Clear Days**, in respect of notice for a meeting, shall mean a period calculated excluding both the day on which any notice or communication is deemed to be received under these rules and the date of the meeting;
- G15.9(a) **committee member** means a member of a committee of the Board (who, for the avoidance of doubt, shall not be classified as a Board Member unless they are also a member of the Board);
- G15.9(b) **co-optee** means a person appointed in accordance with rule D5 (who, for the avoidance of doubt, shall not be classified as a Board Member);
- G15.10 **Council** means Watford Borough Council or the statutory successor to that housing authority;

- G15.11 **Council Board Member** means a person who is nominated by the Council pursuant to rule D12.1;
- G15.12 **Demoted Tenant** means a demoted tenant as defined in Section 143A of the Housing Act 1996;
- G15.13 **Derivative Transaction** means any transaction which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, or any combination of these transactions;
- G15.14 **Electronic Communication** shall have the meaning set out in section 148 of the Act;
- G15.15 **Electronic facility or facilities** shall mean any mode or manner of communication that enables a member to:
- (1) participate in the business for which the meeting has been convened;
 - (2) to hear all persons who speak at the meeting;
 - (3) to be heard by all other persons attending and participating in the meeting; and
 - (4) to vote on the resolutions in a manner that enables the chair to determine whether the member is voting for or against the resolution or whether the member is abstaining.
- The decision of the chair of the General Meeting as to whether the requirements of (a) – (d) inclusive are satisfied shall be definitive.
- G15.16 **Gateway Committee** shall mean the committee (which for the sake of clarity may or may not use the operating name of the Gateway Committee) set up for the purpose of representing the Association's Membership to the Board from time to time
- G15.17 **General Meeting** shall mean a General Meeting of the Association's Members called and held in accordance with rules C17-C32 and a reference to a **General Meeting** shall mean:-
- (1) a meeting convened and held in any manner permitted by these Rules, including a general meeting at which some (but not all) those entitled to be present, attend and participate by means of electronic facility or facilities, and such persons shall be deemed to be present at that meeting for all purposes of the Act and these Rules, and;
 - (2) attend, participate, attending, participating, attendance and participation shall be construed accordingly.
- G15.18 **Group Member** means the Association, each subsidiary of the Association, any body corporate of which the Association is a subsidiary and any subsidiary of such body corporate and for this purpose "subsidiary" has the meaning within the Act and/or the Housing and Regeneration Act 2008 and/or the Companies Act 2006;
- G15.19 **Independent Board Member** means a Board Member who is neither a local authority person, a Tenant or a Leaseholder;
- G15.20 **Leaseholder** means an individual who occupies a residential property under a lease (which for the avoidance of doubt includes a shared ownership lease) with the Association;

- G15.21 **local authority person** means a person who is:-
- (1) a member of the Council or someone who has been within the last four years the spouse, partner or close relative of such a person; or
 - (2) an officer of the Council or the spouse, partner or close relative of such a person; or
 - (3) a person who is both an employee and either a director, manager, secretary or other similar officer of a company which is under the control of the local authority.
- G15.22 **local community area** shall mean an area as defined in the community empowerment strategy;
- G15.23 **Members** shall mean one of the persons referred to in rule C6 and means member as defined by the Act;
- G15.24 **Members' proposal** shall mean a proposal submitted by the Gateway Committee in accordance with any policy adopted by the Association and the Gateway Committee for that purpose;
- G15.25 **notice** shall be deemed to have been received by a person:
- (1) if posted by first class post at least two business days (meaning Monday to Friday but excluding bank holidays) after being posted;
 - (2) if sent by Electronic Communication one hour after transmission provided that no transmission notification of non-delivery or error has been received by the person transmitting the communication and the transmission is to the Electronic Communication address or number last notified by that person to the Secretary;
 - (3) if delivered by hand, on delivery to the person's address last notified by that person to the Secretary;
- G15.26 **Officer** shall include the Chair and Secretary of the Association and any Board Member for the time being and such other persons as the Board may appoint under rule E8;
- G15.27 **Present in person** shall mean any person that is in attendance at, and is able to participate in, the General Meeting in accordance with the provisions of Rule C20.3.
- G15.28 **Probity Policy** shall mean the policies on probity, Board Member conduct and other matters of governance and associated standing orders adopted by the Association from time to time;
- G15.29 **Property** shall include all real and personal estate (including loan stock certificates, books and papers);
- G15.30 **Register of Members** means the register kept in accordance with rule G6.1;
- G15.31 **Registrar** means the Financial Conduct Authority or any statutory successor to or any assignee of any or all of its relevant functions from time to time;
- G15.32 **Regulator** means the Regulator of Social Housing established pursuant to the Housing and Regeneration Act 2008 or any future body or authority (including any statutory successor) carrying on similar regulatory or supervisory functions;
- G15.33 **Relevant Authority** means any local authority (as defined in Section 67(3) of the Local Government and Housing Act 1989, the "1989 Act") with which the

- Association has a business relationship (as defined in Section 69(3) of the 1989 Act);
- G15.34 **Secretary** means the Officer appointed by the Board to be the Secretary of the Association or other person authorised by the Board to act as the Secretary's deputy;
- G15.34(a) **Senior Independent Director** means the person (if any) appointed as Senior Independent Director in accordance with rule E1;
- G15.35 **social housing** means low cost rental accommodation and low cost home ownership accommodation as defined in sections 68 to 77 of the Housing and Regeneration Act 2008;
- G15.36 **sub- area** means a sub-area of a local area as defined in the community empowerment strategy
- G15.37 **Special Resolution** means a resolution at a General Meeting passed by a two-thirds majority of all Members who vote in person or by proxy;
- G15.38 **Tenant** means a person who alone or jointly with others holds a tenancy, a lease or a licence to occupy:
- (1) the Association's premises for residential use or the premises of any Group Member; or
 - (2) residential premises managed by the Association on behalf of any other organisation or body;
- G15.38(a) **Tenant Board Member** means a Tenant appointed to the Board in accordance with Rule D9.1;
- G15.39 **these Rules** shall mean the registered rules of the Association for the time being;
- G15.40 references to any provision in any Act shall include reference to such provision as from time to time amended, varied, replaced, extended or re-enacted and to any orders or regulations made under such provision.
- G16 Nothing in these Rules overrides the provisions of the Act (as amended, rescinded or replaced), including the requirement for resolutions to be passed in accordance with statutory procedures set out therein.

CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

Acknowledgement of Registration of Society

Register No 30183R

Watford Community Housing Trust

is this day registered under the Co-operative and Community Benefit Societies Act 2014.

Dated (Seal of Central Office)

Copy keptRegistrar

1 Member

2 Member

3 Member

..... Secretary
