

Healthwatch Worcestershire Membership Scheme

1. Healthwatch Worcestershire is a company limited by guarantee and therefore its membership scheme must be interpreted in the context of its Articles of Association which provide for 'members'. The Articles define that a 'Member' has the meaning in section 112 of the Companies Act and Part 3 of the Articles specifically relate to Members.

2. Who can be a 'Member' of Healthwatch Worcestershire?

2.1 The Articles provide that Healthwatch Worcestershire is entitled to create different classes of membership of the company.

2.2 Healthwatch Worcestershire has agreed to extend membership to the following classes:

- The Directors of Healthwatch Worcestershire
- Volunteers
- Members of the Reference & Engagement Group (one vote per organisation or interest group)

3. Applications for Membership

No person shall become a member of the company unless:

- (a) that person has completed an application for membership in the form approved by the Directors, and
- (b) the Directors have approved the application.

4. Liability of Members

Liability of each member is limited to £1, being the amount, each member undertakes to contribute to the assets of the company in the event of it being wound up while he is a member or within one year after he ceases to be a member, for -

- (a) payment of the company's debts and liabilities contracted before he ceases to be a member,
- (b) payment of the costs, charges and expenses of winding up, and
- (c) adjustment of the rights of the contributories among themselves

5. The Rights of Members

5.1 Whilst the directors make day-to-day decisions concerning the company, major decisions usually have to be dealt with by its members passing resolutions in general meetings that is meetings of the members. The Companies Act 2006 states that certain acts, examples of which are listed below, can only be carried out by the members:

- Changing the company's name
- Changing the company's articles of association
- Authorising a service contract for a director which gives them job security for more than five years
- Approve the Director's remuneration
- Removing a Director from office

5.2 To effect a special resolution, eg to change the company's articles requires the vote of 75% of the membership whereas an ordinary resolution requires 50%. It follows that members holding more than 25% of company's membership can block the passing of a special resolution.

5.3 In the event of the dissolution of Healthwatch Worcestershire the members may at any time before and in expectation of its dissolution resolve that the net assets of the Company after all its debts and liabilities have been paid or provision has been made for them, shall on or before the dissolution of the Company be applied on any of the following ways:

(a) directly for the Objects of Healthwatch Worcestershire as defined in the Articles.

(b) by transfer to any charity or social enterprise for purposes similar to the Objects.

(c) to any charity or social enterprise for particular purposes that fall within the Objects

5.4 The Companies Act 2006 also created rights for minority members. Some of those rights include:

- Right to have an item placed on the agenda for an annual general meeting: This right is available to holders of at least 5% of the members for that meeting.

- Right to circulate a written statement:

This right can be exercised by holders of at least 5% of the voting rights for that meeting or at least 100 members holding on average £100 of paid up capital.

- Right to refuse to consent to short notice

An annual general meeting can only be held with less than 21 clear days' notice if all the members so consent. Thus, any member can prevent this happening.

A general meeting can be held on short notice if enough members holding at least 90% of the membership consent.

- Right to call a general meeting:

Holders of at least 10% of the membership of the company can exercise the right to call a general meeting.

6. Termination of Membership

6.1 A member may withdraw from membership of the company by giving 7 days' notice to the company in writing.

6.2 Membership is not transferable

7. Condition of Membership

Members must have regard to the legislation which seeks to prevent a Local Healthwatch from:

- Aligning itself to a particular party or political body
- Being set up or run with a main purpose of achieving particular policy changes or changes to the law, and
- Making political activities its main activity