

**RUCHAZIE HOUSING ASSOCIATION**

**POLICY ON PAYMENTS AND BENEFITS**

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| **Date of Policy** | **May 2021** |
| **Date approved by Management Committee** |  |
| **Date for review** | **May 2024** |

1. **Introduction**

**Who the Policy Affects**

1.1 This policy is aimed at

· All members of our Governing Body and of the governing body of any of our

subsidiaries

· Everyone who works or volunteers for us or any of our subsidiaries

1.2 For the remainder of this policy the above will be referred to as “our people.”

**About This Policy**

1.3 We are a Registered Social Landlord (RSL) and a Scottish Charity. We are part

of a sector that has a strong reputation for integrity and accountability to the people we exist to help and to our Regulators, partners and funders . We must ensure that our organisation upholds its reputation and that of the sector. Our people cannot benefit inappropriately from their connection with us.

1.4 This policy describes the entitlements, payments and benefits that our people are

able to receive. It also describes what is not permitted and the arrangements that

we have in place to ensure that the requirements of this policy are observed.

1.5 Our rules require that we have a policy dealing with payments and benefits. The Scottish Housing Regulator (SHR) requires us to have a policy that sets out

what payments and benefits we permit and to ensure that these arrangements

demonstrate transparency, honesty and propriety. We must ensure that there is no justifiable public perception of impropriety. This policy is based on the SFHA’s Model Entitlements, payments and Benefits Policy which the SHR have confirmed meets the regulatory requirements. .

1.6 As we are a Scottish Charity, all of our Governing Body Members must also

ensure that they comply with the Office of the Scottish Charity Regulator (OSCR)

guidance to Charity Trustees and charity legislation.

1.7 This Policy is intended to be a practical document that supports us in meeting all

of the above requirements, ensuring that none of our people benefits Or is seen to benefit) improperly or inappropriately from their involvement with us, but also that they are not unfairly disadvantaged. We expect our people to act in good faith, and in applying the terms of the policy we will always take this into account.

1.8 As someone who is affected by this policy, you are personally responsible for

ensuring that you are familiar with and comply with its terms.

1.9 At all times, we expect a common-sense approach to be applied to the

interpretation and application of this policy. If you are unsure about anything relating to benefits, payments or entitlements you should consult with the Chair or Director (if you are a member of the governing body) or with your line manager (if you are a member of staff).

**What this Policy Covers**

1.10 This policy covers:

- Managing Your Interests

- Registering and Declaring Interests

- Entitlements, Payments & Benefits

- People Connected To You

- Who Else You Should Consider When Declaring Interests

- What You Should Consider

- Use of Our Contractors/Suppliers By Our People

**Other Relevant Polices**

1.11 The Code of Conduct is linked to this policy. Failure to comply with the terms

of this policy may be regarded as a breach of the Code of Conduct.

1.12 You are also required to be familiar with and observe the terms of our Anti-

Bribery and Fraud policy. We prohibit any attempt to induce the organisation or our people to offer preferential services or business terms and we will at all times comply with the Bribery Act 2010.

1.13 Our policies relating to the following are also relevant to this document and

must be complied with at all times:

· Allocations

· Repairs and Improvements

· Adaptations

· Procurement

· Training

· Expenses

· Recruitment

· Sale of our Property

· Decoration Allowances/Prizes

Please note that this list is not exhaustive and you are required to comply with all of

our policies and procedures.

1. **Registering and Declaring Interests**

2.1 In order to protect our reputation and demonstrate that we conduct our affairs

with openness, honesty and integrity, we maintain a Register of Interests. You must record in this register any interests that you or someone connected to you (see Section 3) has which are relevant to our business and/or our activities. . You will be required to maintain the accuracy of the interests you declare and to confirm annually that your entry is accurate and up to date.

2.2 Where you have an interest in any matter that is being discussed or considered

including at a meeting, you must declare your interest and play no part in consideration, discussion and the decision making; you must withdraw from any part of a meeting where the interest arises, and play no part in the discussion. Our Rules require that any Committee member who has an interest in a matter that is being considered withdraws from all discussions and plays no part in the decision-making.

2.3 The Code of Conduct which our staff and committee are required to uphold contain requirements about Declaring Interests that you should comply with at all times.

2.4 An annual report will be made to our Committee on the entitlements, payments, benefits that have been recorded in the Register (s) by our people. .

2.5 The following are examples of the kind of interest that you must declare. Please note that this list is not exhaustive, and there may be other interests that you should also declare

* Tenancy of a property of which we are the landlord
* Occupancy or ownership of a property which is factored or receives property related services from us
* Receipt of care or support services from us
* Membership of a community or other voluntary organisation that is active in the area we serve
* Voluntary work with another RSL or with an organisation that does or is likely to do business with us
* Membership of the governing body of another RSL
* Being an elected member of any local authority we are active in
* If you purchase goods or services from us
* If you purchase goods or services from one of our contractors (see section4)
* Significant shareholding in a company that we do business with ( or are considering doing business with)
* Membership of any other body whose interests and/or activities may directly affect our work or activities
* Ownership of land or property in our area of operation. This includes property for the purpose of your own residential use (i.e. there is no requirements for you to declare any house in which you currently live)
* Unsolved dispute relating to the provision of services in connection with a tenancy or occupancy agreement or a contractual dispute over the provision of goods or services with us.
  1. You should note that in some circumstances, declaration of an interest may not be sufficient, and that it may be necessary for the organisation to take additional measures to deal satisfactorily with the situation so as to protect the probity and reputations of both yourself and the organisation.

1. Entitlement, payments and benefits
   1. Many of the interests you will be required to declare can be classed as

entitlements, payments or benefits.

2.6 As one of our people, you potentially could be offered benefits over and above

that to which you are contractually entitled,( and as a result of policy or contractual terms) such as gifts or hospitality from external parties. Such offers would be as a direct result of you being one of our people and cannot always be accepted. We require that any such offers are managed and recorded very carefully to ensure the highest levels of probity in our organisation.

Our people should not benefit – or be seen to benefit – inappropriately from their

involvement with us.

2.7 Apart from payments that our people are entitled to by contract, statute, policy or other agreement (e.g. salary, expenses), we will only make a payment to, or accept a payment from, someone affected by this policy in exceptional circumstances.

Appendix A explains the payments we can and cannot make in more detail.

2.8 As we contribute to the economy (ies) of the area(s) we work in and we have

commercial and business relationships with many different companies, contractors, suppliers and service providers, you must ensure that we are fully aware of any connection that you or someone you are close to (see section 3) has with any of these businesses or organisations.

2.9 Some entitlements, payments and benefits we can never permit, and others

we have additional requirements or conditions that must be met before we can

permit.

2.10 Appendix A lists the entitlements, payments and benefits that fall under this

policy, and states:

· Which could be permitted by the organisation

· Which will never be permitted by the organisation

· Which you require to declare in the register of interests

· Any other further requirements the organisation has before permitting

1. **People Connected To You**

**Who Else You Should Consider When Declaring Interests**

3.1 Someone closely connected to you includes members of your household, family members and other relatives or your friends.

3.2 As well as considering your own actions, you must be aware of the potential risk

created by the actions of people to whom you are closely associated. There are

three groups of people that you need to consider, outlined in Table A. If you are in any doubt about whether or not a declaration is required, you should consult the Chairperson, Director or Line manager. :

**Table A**

|  |  |  |
| --- | --- | --- |
| **Group 1** | **Group 2** | **Group 3** |
| Anyone who normally lives as part of your household, whether they are related to  you or not, including spouses/partners who work away from home and sons and daughters who are  studying away from  home | · Parents, parents in-law and their partners  · Sons and daughters;  Stepsons and step-daughters and their partners  · Brothers and sisters and their partners  · A partner’s parent, child,  brother or sister  · Grandparents, grandchildren and their partners  · Someone who is  dependent on you or whom you are dependent on  · Close friends | -Other relatives (e.g. uncles, aunts, nieces, nephews & their partners)  -Other friends (e.g.  someone you are  acquainted with  socially, neighbours,  business  contacts/associates) |

3.2 If you become aware of any action or involvement relating to **anyone** in the

table then you should declare and manage this as soon as possible.

3.3 However, we recognise that you will not always be closely acquainted with or

in regular contact with all of the people listed and we do not expect you to go to

unreasonable lengths to identify actions or involvement that are covered by this

policy.

3.4 Please note, we do expect you to be familiar with the actions of members of

your household (Group 1) and of any other people listed in the table above with

whom you are closely associated and/or in regular contact and you must take steps to identify, declare and manage these.

3.5 **You are not expected to be aware of the actions of people in groups 2**

**and 3 that you do not have a close association and/or regular contact with.** We do not expect you to research into the employment, business interests and other activities of all persons with whom you are closely connected.

3.6 In relation to 3.2-3.5 above, when considering actions you should do so from

the point of view of a reasonable and objective observer and a common sense

approach should be adopted at all times.

**What You Need To Consider**

3.7 The following are the actions and involvement by those to whom you are closely

connected that, should you become aware, we would expect you to notify us by

making a declaration in the register: :

* A significant interest in a company or supplier that we do business with or

which is on our approved list. A significant interest means ownership (whole or part) or a substantial shareholding in a business that distributes profits, but does not include where an individual has shares in large companies such as banks, utility companies or national corporations, i.e. where owning shares would not give the individual any significant influence over the activities of that organisation.

* Where the individual may benefit financially from a company we do business with or is on our approved list.
* Involvement in the management of any company or supplier that we do

business with or which is on our approved list.

* Involvement in tendering for or the management of any contract for the

provision of goods or services to us.

* Application for employment with us.
* Application to join our Board or any of its subsidiaries.
* Application to be a tenant or service user of the organisation.
* If they are an existing tenant or service user of the organisation

1. **Use of Our Contractors & Suppliers**

4.1 In order to help us maintain our excellent reputation, where possible you

should avoid using the organisation’s contractors/suppliers for your own personal

purposes. We have made a list available to all of our people which outlines the

contractors and suppliers that fall under the terms of this policy. This is included at Appendix B.

4.2 We recognise that there could be certain circumstances where it might not be

possible for you to avoid the use of all the contractors/suppliers on this list, such as where market conditions in your local area make it difficult to obtain a reasonable selection of potential contractors or suppliers. Under such circumstances you could be permitted to use those contractors/suppliers outlined at Appendix B, provided you are able to demonstrate that you received no preferential treatment in terms of price, quality or any other aspect of service delivery due to your involvement with us.

4.3 Approval to use those contractors listed at Appendix B is at the discretion of

the Chief Executive Officer and/or the Management Committee. In order to be

granted approval, you will be required to demonstrate that there is no reasonable

alternative contractor/supplier providing the service required in your local area, and that you will receive no preferential treatment in terms of service or cost (which you will be required to demonstrate through quotations and receipts)

4.4 If you are looking to purchase goods or services from any contractor/supplier

on this list then you must make a declaration in the register outlining:

* That you have received approval from the appropriate approving officer prior to the commencement of works
* That you received no preferential treatment in terms of service or cost (which you will be required to demonstrate through quotations and receipts).
* Where you inadvertently use a contractor on the list at Appendix B in an

emergency situation, you must notify the approving officer as quickly as

possible thereafter and enter an appropriate declaration in the register.

4.5 Any contractor/supplier not included on the list at Appendix B can be used

without the need for any declaration/further action. Appendix B represents the

majority of the contractors/suppliers that we use, but does not include any of our

contractors/suppliers that:

* Only provide services of a small value (e.g. local window cleaners or

sandwich shops) or

* Have such a large national or local standing that no favour could ever

realistically be gained (e.g. utilities, BT, banks or national chains)

* 1. **Guidance for approving officer:**

The approving officer will have an appropriate level of seniority, in accordance with our scheme of delegation. In making your decision you should consider the level of potential reputational risk or any potential conflicts of interest that may arise by granting approval and, if granting approval, consider the steps required to mitigate against future conflicts of interest, such as ensuring that the individual is not involved in any transactions with or decisions about the contractor/supplier in question on behalf of the organisation. You should maintain a clear audit trail of every approval to use any of our contractors listed at Appendix B. The total number of our people to use contractors and suppliers, including the reasons for approval, and confirmation that no advantage was gained due to an individual’s role within the organisation should be formally reported annually to our Governing Body.

1. **Review**

5.1 Our Rules require the Governing Body to set our policy on payments and

benefits and keep it under review. This policy will be reviewed in three years or as required by a change in practice or legislation. This policy has been approved by our Governing Body and is consistent with the requirements of our Codes of Conduct for Governing Body Members and for Staff. These Codes have been confirmed by the Scottish Housing Regulator as meeting their regulatory requirements.

Appendix A

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| --- | --- | --- |
| EXAMPLE | CAN THIS BE PERMITTED | FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED |
| HUMAN RESOURCES AND RECRUITMENT | | |
| All entitlements arising from your contract of employment  with us or one of our subsidiaries, including (but not  restricted to):   * Payment of salary to staff * access to car or travel loans or salary advances where specified in the employment contract; * pension and/or private health care provided as part of the remuneration package; * performance related pay or bonus awarded in accordance with contractual terms; * books and equipment in connection with employment or training in accordance with agreed policies and/or contractual terms * reimbursement of professional fees | Yes | Any entitlement in the terms of your contract is always permitted without the need to record in the register of interests. There are Human  Resource processes in place for this purpose. |
| Payment to a member of the governing body for their role as a governing body member, in accordance with the terms of their letter of appointment | No | Such payments will only be permitted if they are in accordance with the conditions set out in Section 67(3) of the Charities and Trustees Investment (Scotland) Act 20051  The payment must be recorded in the register of interests within five days of the appointment being confirmed and the register must be kept up to date |
| All payments made in accordance with the terms of our  expenses policy including:  • payment of permitted out of pocket expenses  • reimbursement of travel costs | Yes | Entitlements in connection with your role as one of our people are set out in our expenses policy are always permitted and do not need to be declared provided claims are made in accordance with our procedures. |
| Provision of a loan by the organisation to one of our people. | No | This is not permitted unless in connection with the contractual terms of employment. We cannot make any other loans to individuals. |
| Redundancy or Voluntary severance payment to an employee | Yes | We can make redundancy payments to an employee in line with terms their contract  Or  We can make a voluntary severance payment to an employee which is outside the terms of their contract of employment provided:  • It arises directly from a decision to terminate the employee’s  contract of employment  • Payment is approved by the Governing Body  • That the total sum of the non-contractual payment and benefit does not exceed, in the opinion of our employment adviser, the total cost of a successful application by the employee to a Court or Tribunal (including the likely level of compensation that might be awarded by a court or tribunal and associated costs to the organisation to participate in the tribunal)  • Payment does not exceed the equivalent of one year’s salary for the employee  • That this payment is instead of (rather than additional to) any redundancy entitlement |
| An offer of employment (temporary or permanent) to someone who is closely connected to a member of staff | Yes | This is permitted as long as:  • There has been an open recruitment exercise in accordance with our policy that you have not played any part in and  • You have no direct or indirect line management or supervision responsibility for the post and  • The offer of employment complies with our policy and is approved by Directors and  • You record your connection to the successful applicant in the register within five days of their acceptance of the offer. |
| The offer of employment to someone who is, or has been in the last twelve months, a member of our Governing Body or to anyone who is a close relative of a member of the Governing Body | No | This cannot be permitted under our Rules. The Rules define a “close relative” as being: spouse, civil partner, cohabitee, parent, grandparent, child, stepchild, grandchild, brother or sister. |
| Appointment of one of our staff members to the Governing Body. | No | This cannot be permitted in accordance with the Rules of the organisation. |
| Nominations to join the Governing Body from people who are connected to a serving member. | Yes | This can be permitted in accordance with the Rules of the organisation |
| **OUR PEOPLE AS TENANTS OR SERVICE USERS** | | |
| The offer of a tenancy or lease in one of our or any of our subsidiaries’ properties to one of our people or to someone closely connected to them. | Yes | This is permitted as long as  • our Policies and Procedures are followed **and**  • Neither the applicant or anyone connected to the applicant is  involved in any way or in any part of the allocation process **and**  • The offer is approved by the Governing Body in advance **and**  • The tenancy is recorded as an interest in the appropriate register within five days of the tenancy commencing |
| Where one of our people (or someone connected to one of  our people) is a tenant and receives a repair, improvement or adaptation to their home | Yes | **Repairs** carried out in accordance with our policy do not need to be  Recorded.  **Adaptations** must comply with our policy and be approved by Executive Team. The adaptation should be recorded in the register of interests within five days of approval.  **Improvements** must be carried out as part of an approved programme and in accordance with our policy. The person affected should declare their interest if/when the programme is being discussed and the improvement recorded in the register of interests within five days of completion.**completion.IT**  **PERMITTED?** |
| Where one of our people (or someone connected to one of our people) is a tenant and receives payment of a decoration allowance, tenant reward/incentive as part of an agreed scheme or prize. | Yes | Payment of decoration allowances or incentive/reward payments must be made in accordance with our policies and procedures and recorded in the register within five days of receipt.  Prizes or awards in competitions open to all tenants in the same community (e.g. garden competitions) can only be given if the selection process for giving the award/prize has been carried out by someone who is independent.  Receipt of the award and the circumstances surrounding it must be recorded in the register within five days of receipt. |
| TRAINING AND EVENTS | | |
| Attendance at training events or seminars (e.g. SFHA Conferences) or openings/similar events hosted by other RSLs | Yes | There is no requirement to declare and record in the register of interests. |
| The organisation paying for accommodation in connection with attendance at relevant conferences or events that you are attending on behalf of or in connection with your role  with us or our subsidiaries | Yes | Accommodation that is part of a conference or training package does not need to be recorded in the register, but attendance will be recorded on the relevant individual training plan.  Residential conferences are important in ensuring that our people have the necessary skills, knowledge and experience to make an effective contribution to our activities. |
| Attendance by you at events to mark awards,  achievements or other significant milestones relevant to our business. | Yes | The Budget holder must approve attendance prior, and will only do so if:  • The organisation or one of our people (because of their role with us) has been nominated for an award; or  • attendance is in recognition of achievement of or in pursuit of  appropriate business development; or  • we can demonstrate that attendance or participation is directly related to furthering our aims and objectives.  Where we ask you to represent us at such an event, this should be recorded in the register along with any associated costs (including travel, accommodation and the costs of attendance at the event) within five days of attendance.  **The total cost should not exceed £500 per person and we will make all arrangements in advance.**  Where costs would exceed £500, you will not be permitted to attend unless there is a clear, viable business case for attending. In such a case, specific approval of the Governing Body would be required. |
| GIFTS AND HOSPITALITY | | |
| Gifts received from tenants and external sources including  prizes from our contractor or suppliers. | Yes (not  exceeding a value  of £50) | Small gifts (e.g. a box of chocolates, pens, folders, paperweights) and prizes from our contractors and suppliers can be accepted if:  • the value does not exceed £50**M CAN THIS BED?**  • you do not receive more than one such gift from the same source in a 12 month period  • you record receipt of the gift in the register. You should not normally accept other gifts and should decline any gifts  with a value of more than £50 unless to do so would cause offence or otherwise damage our reputation. In these cases you must:  • Advise the donor that the gift will be donated to charity or will form part of our annual charity fund raising activities  • Record the gift and the action taken in the register within five days. You should not regularly accept gifts from the same source and never more than once from the same source within a 12 month period.  You should also record any offers that you decline and the reasons for this, in the register within five days. |
| Gifts given from us to one of our people or received by one of our people from external sources to mark special occasions. | Yes | Gifts from the organisation to our people can be permitted in cases where it is to mark a special occasion or significant event including:  • Retirement  • Leaving the organisation  • Long service awards  These must be recorded in the relevant register and the value of such gifts will not normally exceed £25 except where specifically allowed for in the terms and conditions of employment, or our own separate policy.  Please note, that this does not include collections by our people using their own personal funds to mark special occasions. These are always permitted with no requirement to declare. |
| Hospitality associated with our business and that of its partners. | Yes( when not exceeding a value of £50) | Modest hospitality, such as a sandwich lunch or networking event, is  permitted and does not need to be recorded  All other hospitality up to a value of £50 is permitted but must be recorded  in the register, along with an estimation of the value of hospitality received, within five days of attendance.  **You should not accept invitations with a value that is greater than £50, unless you have prior approval from the Chief Executive or Chair. The type of hospitality offered will also be taken into consideration, e.g. we will not normally accept invitations to sporting events, concerts, golf tournaments etc.**  In this case, the reason for acceptance must also be included in the register and countersigned by the Company Secretary |
| Our people seeking donations from our  contractors/suppliers when fundraising for charity | Yes | Yes This is permitted provided:  • Approval is gained from Chief Executive prior to making any  approach  • Any donations received are recorded in the register  We recognise our social responsibility and promote charity fundraising by the organisation and our people.  We have a separate policy that sets out our approach to supporting other charities. |
| PROCURING GOODS AND SERVICES | | |
| The organisation entering into a contract with an organisation where one of our people, or someone closely connected to them, has significant control. | No (in almost all cases) | This is not permitted in almost all circumstances. We could only consider this where:  • The person affected by this policy is not involved in any part of the procurement process or decision  • The appointment is approved by the Governing Body which is satisfied that the appointment is reasonable in the circumstances  • There is no reasonable alternative (e.g. because of geography or the specialist nature of the goods/services)  In such rare circumstances, the appointment would be recorded in the register along with details of the process followed |
| The purchase of land or other assets from anyone who is, or has been in the last twelve months, one of our people or who is connected to one of our people | No ( in almost all cases) | This cannot be permitted in almost all cases.  The only exception would be if you were referred to us under the Scottish Government’s Mortgage to Rent scheme, where this would be permitted provided:  • Our policy and procedures are followed  • The prospective seller plays no part in the decision to purchase the property or the processing of the transaction by the organisation  • It is declared and recorded in the register within five days upon conclusion |
| The purchase of goods/services from our  suppliers/contractors by one of our people | Yes | This should be avoided where it is reasonable to do so but otherwise is permitted if the procedure in Section 4 is followed. |