



fairfield housing
co-operative

Gifts and Hospitality

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Approved by: Management Committee

Review date: April 2022

Effective date: 1st May 2019

Policy Owner: Management Committee

Policy Author: Corporate Manager

This policy applies to

To all employees and Management Committee Members of Fairfield Housing Co-operative, including any Co-optees and Board Members statutorily appointed by the Scottish Housing Regulator.

Policy Summary

The Gifts and Hospitality Policy provides guidance to employees of and the Management Committee on how offers of gifts and hospitality should be dealt with and the situations when the Co-operative may provide hospitality or gifts.

Equalities

Fairfield Housing Co-operative will ensure there is a consistent approach in promoting equality and diversity across all areas and this policy will be administered in accordance with the Fairfield Policy on Equality and Diversity (to be reviewed).

Privacy

This document fully complies with General Data Protection Regulations (2018).

Compliance

SHR Regulatory Standards

Standard 3 - The RSL manages its resources to ensure its financial well-being and economic effectiveness.

Standard 5 - The RSL conducts its affairs with honesty and integrity.

Other Guidance

SHR Regulatory Advice Note: Payments and Benefits 2012

SFHA Model Management Committee Members Guide

Related Policies

Entitlements, Payments and Benefits Policy

Code of Conduct (Staff and Governing Board Members)

Financial Regulations

Employers in Voluntary Housing Statement of Terms and Conditions, Section C1, Section 8

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1.0. INTRODUCTION

- 1.0 Fairfield Housing Co-operative operates to meet statutory obligations and regulatory standards of governance and financial management. It wishes to ensure that its tenants and members are satisfied that we have policies and procedures in place which are transparent, appropriate and accountable in relations to managing any offers of hospitality or gifts.

2.0 PRINCIPLES

- 2.1 Employee and Management Committee Members of the Co-operative have a duty to ensure responsibility for the Co-operative income which is mainly derived from tenants' rents.

The following principles govern the operation of this:

- Employees and Management Committee Members must never place themselves in a situation which might influence, or be perceived to influence, the carrying out of their duties in an open, honest and transparent manner.
- All offers of gifts of hospitality offered to employees and Management Committee Members should be treated with caution and should be refused if they are of significant nature or potentially could be perceived by others as having had an influence on the Co-operative's decisions.
- The Co-operative will adopt a prudent approach to making gifts or hospitality to employees or Management Committee Members, or to third parties following the principles contained within the Entitlements, Payments and Benefits Policy.
- Employees or Management Committee Members should only accept any gifts or hospitality in line with the policy guidelines. Further clarifications on appropriate levels are detailed within **Appendix 1**. Any gift or hospitality received will be recorded in the Gift and Hospitality Register.

3.0 OBJECTIVES

The objectives of this policy are to:

- Ensure compliance with the Regulatory Standards of Governance and Financial Management with particular attention to Standard 3 - The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay and Standard 5 - The RSL conducts its affairs with honesty and integrity.
- Ensure that the Gifts and Hospitality policy is consistent with other current FHC Policies including our Entitlements, Payment and Benefits Policy, Code of Conduct for staff, Code of Conduct for Governing Body Members and Financial Regulations.

4.0 APPROACH AND METHOD

Employees and Management Committee Members should treat with caution any offer of gift, favour or offer of hospitality which is made to them personally as this could potentially be perceived as improperly influencing or impairing the individual's decision making.

The Management Committee in its formal approval of the policy acknowledges that it accepts full responsibility for its implementation and will ensure it complies with the Entitlements, Payments and Benefits Policy. The Chief Executive will regularly review the policy to ensure it remains in line with and statutory guidance.

Day-to-day responsibility for the operation of this policy lies with the Chief Executive who will be responsible for the implementation and administering of the policy and ensure appropriate systems and controls are in place to support the application of the policy. All employees have a responsibility to ensure that this policy is applied as instructed.

The policy will be implemented using the following approaches:

4.1 OFFERS OF GIFTS

- 4.1.1 The Co-operative will not normally give gifts to Committee Members or employees, other than those circumstances outlined in **Appendix 1** and will not exceed a value of £25.
- 4.1.2 It is recognised that as a caring and supportive employer gifts of a small value may be, at the discretion of the Management Committee be made to Committee Members or employees on certain exceptional occasions. For example as mark of appreciation, celebrate a milestone or convey the organisations sympathies.
- 4.1.3. The Co-operative recognises that any giving of gifts must be approved by the Chief Executive and Chair or Vice Chair and recorded in register of gifts and hospitality which is reported to the management committee.
- 4.1.4 Any awards to employees to mark long service and/or retirement will be consistent with the related guidance publish by Employers in Voluntary Housing **Appendix 2**.
- 4.1.5 All gifts given by the Co-operative will be recorded in the Gifts and Hospitality Register. The date, details of the decision to grant the gift, description of the gift, its value, who it was given to and their position or connection with the organisation.
- 4.1.6 It shall be the responsibility of the Chief Executive and/or Corporate Manager to maintain the Register of Gifts and Hospitality and provide this to the Management Committee for review on a quarterly basis.

4.2 HOSPITALITY PROVIDED BY THE CO-OPERATIVE

- 4.2.1 Staff and Committee Members may attend events organised by the Co-operative to celebrate site openings, customer events, planning days etc which may be attended by Committee and staff.
- 4.2.2 It is also permissible for our staff and Committee Members to attend events to mark awards, achievements or other significant milestones relevant to our business.
- 4.2.3 The only circumstance which the Co-operative is likely to provide hospitality to third parties in the following circumstances.
- Business meeting when the Co-operative has official visitors
 - Special or significant events such as site openings etc
 - Events to provide customer participation and or another Co-operative function.
- 4.2.4 Hospitality over £50 and in line with the above will require to be approved by the Chief Executive and Chair/Vice Chair.

4.3 RECEIVING GIFTS

- 4.3.1 Generally Management Committee members or staff should not accept personal gifts from consultants, contractors, tenants or any personal organisations with which they have a professional relationship.
- 4.3.2 Small gifts with a value of £25 or less are permissible in line with the guidance however this must be recorded in the Gifts and Hospitality Register. It is not considered appropriate to accept more than one small gift from the same source within a 12 month period.
- 4.3.3 The Co-operative's general policy is that Management Committee members or staff members should avoid situations where a gift could be construed as having an undue influence on decision making. However small gifts offered by a satisfied customer as a token of appreciation and where refusal of such gift may have the potential to offend are permitted.
- 4.3.4 Where small gifts are received, whether corporately or by an individual member of staff or Committee then they should be recorded in the Register of Gifts and Hospitality. The register should record its approximate value, who it was from and their connection to the organisation.
- 4.3.5 Any gifts received will also be immediately declared by the staff member to the Chief Executive or Corporate Manager.
- 4.3.6 No gift should be accepted with a value of more than £25 and staff and Committee should refuse these gifts unless it was likely to cause offence or otherwise damage our reputation. On approval of the Chief Executive it may be retained in the office and donated to charity, form part of any fundraising activity or be used as a prize for any activities held with our membership and tenants.

4.4 RECEIVING HOSPITALITY

- 4.4.1 It is recognised that occasionally Staff or Committee Members may be invited to attend some forms of hospitality. Any hospitality must be approved by the Management Committee prior to attendance to ensure it is compatible with FHC's objectives, doesn't represent any conflict of interest and complies with our Entitlements, Payments and Benefits Policy.
- 4.4.2 Once approved, acceptance of hospitality is permitted for Staff or Committee Members up to a value of £25 and must be recorded in the Entitlements, Payments and Benefits register, along with an estimation of the value of hospitality received, within five days of attendance and reported to the Management Committee for review at regular agreed intervals.

5.0 DONATIONS

- 5.1 The Co-operative has a separate Donations Policy which outlines our procedures and criteria for providing donations.

7.0 BREACHES OF THIS POLICY

- 7.1 Any alleged breach of this policy should be reported to the Chair, Convenor of Audit, Risk and Finance Sub Committee, Chief Executive or Corporate Manager immediately and this will be dealt with according to the protocol for a breach of the Code of Conduct for Staff or Committee Members.
- 7.2 Any case involving such breaches will be subject to investigation. The outcome will be reported to the Management Committee which will decide what action should be taken under terms of related policies.

7.0 MONITORING AND PERFORMANCE MEASUREMENT REPORTING

- 7.1 All gifts and hospitality will be monitored by the Chief Executive and reported to the Management Committee annually (normally at the end of the financial year) or more frequently at the request of the Management Committee.
- 7.2 The report will include information on each of the gifts received, the recipient and the assumed value of the gifts. It will also outline the total value of gifts and how these were distributed within the organisation, if applicable.
- 7.3 The report will also provide an opportunity to review the policy and ensure that the minimum and maximum values for any gifts and hospitality given or received remains appropriate to the organisation.
- 7.4 The following areas also will be subject to monitoring and evaluation:
- Risks
 - Impacts and outcomes

- Financial and regulatory implications
- Compliance with policy requirements and procedures

These will be actively monitored by the Chief Executive and Corporate Manager.

- 7.5 Any matter which demonstrates a serious failure of internal controls should also be reported immediately to the Chair of the Management Committee and also the Convenor of the Audit, Risk and Finance Sub Committee.

8.0 COMPLAINTS AND APPEALS

FHC Committee (e.g.) have the right to appeal any decisions made on matters covered by this Policy according to FHC's Grievance Policy and Procedures/Standing orders/Rules etc.

9.0 POLICY AVAILABILITY

This Policy will be provided to staff commencement of their employment. Committee Members will receive a copy and supporting guidance / training on joining the Management Committee and available on request.

10.0 REVIEW

- 10.1 This policy will be reviewed every 3 years, with the next review being due in March 2022.
- 10.2 An interim review may take place in the event of changes to good practice, or regulatory requirements.
- 10.3 Any awards to employees to mark long service and/or retirement will be consistent with the related guidance published by Employers in Voluntary Housing **Appendix 2** which will be updated on annual basis.

Appendix 1 - ENTITLEMENTS, PAYMENTS AND BENEFITS

EXAMPLE	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
HUMAN RESOURCES AND RECRUITMENT		
<p>All entitlements arising from your contract of employment with us or one of our subsidiaries, including (but not restricted to):</p> <ul style="list-style-type: none"> • 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 2005
<p>All payments made in accordance with the terms of our expenses policy including:</p> <ul style="list-style-type: none"> • 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

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		employment. We cannot make any other loans to individuals.
Redundancy or Voluntary severance payment to an employee	Yes	<p>We can make redundancy payments to an employee in line with terms their contract.</p> <p>We can make a voluntary severance payment to an employee which is outside the terms of their contract of employment provided:</p> <ul style="list-style-type: none"> • 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 connected to a member of staff	Yes	<p>This is permitted as long as:</p> <ul style="list-style-type: none"> • 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

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		<p>by Chief Executive and</p> <ul style="list-style-type: none"> 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 related to a member of the Governing Body	No	This cannot be permitted.
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	<p>This is permitted as long as</p> <ul style="list-style-type: none"> it is in accordance with our published allocations policy 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	<p>Repairs carried out in accordance with our policy do not need to be recorded.</p> <p>Adaptations must comply with our policy and be approved by Asset Manager Advisor. The adaptation should be recorded in the register of interests within five days of approval.</p>

EXAMPLE	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
		<p>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</p>
<p>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.</p>	<p>Yes</p>	<p>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.</p> <p>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.</p>
TRAINING AND EVENTS		
<p>Attendance at training events or seminars (e.g. SFHA Conferences) or openings/similar events hosted by other RSLs</p>	<p>Yes</p>	<p>There is no requirement to declare and record in the register of interests.</p>
<p>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</p>	<p>Yes</p>	<p>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.</p> <p>Residential conferences are important in ensuring that our people have the necessary skills, knowledge and experience to make an effective contribution to our activities.</p>
<p>Attendance by you at events to mark awards, achievements or other significant milestones relevant to our business.</p>	<p>Yes (where not exceeding £500)</p>	<p>The Governing Body must approve attendance prior, and will only do so if:</p> <ul style="list-style-type: none"> • The organisation or one of our people (because of their role with

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		<p>us) has been nominated for an award; or</p> <ul style="list-style-type: none"> 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. <p>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.</p> <p>The total cost should not exceed £500 per person and we will make all arrangements in advance.</p> <p>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.</p>
GIFTS AND HOSPITALITY		
Gifts received from tenants and external sources	Yes (not exceeding a value of £25)	<p>Small gifts (e.g. a box of chocolates, pens, folders, paperweights) can be accepted if:</p> <ul style="list-style-type: none"> the value does not exceed £25 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 <p>You should not normally accept other gifts and should decline any gifts with a value of more than £25 unless to do so would cause offence or otherwise damage our reputation. In these cases you must:</p> <ul style="list-style-type: none"> Advise the donor that the gift will be donated to charity or will

EXAMPLE	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
		<p>form part of our annual charity fund raising activities</p> <ul style="list-style-type: none"> Record the gift and the action taken in the register within five days <p>You should not regularly accept gifts from the same source and never more than once from the same source within a 12 month period.</p> <p>You should also record any offers that you decline and the reasons for this, in the register within five days.</p>
<p>Gifts given from us to one of our people or received by one of our people from external sources to mark special occasions.</p>	<p>Yes (not exceeding a value of £25)</p>	<p>Gifts from the organisation to our people can be permitted in cases where it is to mark a special occasion or significant event including:</p> <ul style="list-style-type: none"> Family events (e.g. marriage, milestone birthday, birth of a child), Retirement Leaving the organisation <p>These must be recorded in the relevant register and the value of such gifts will not normally exceed £25.</p> <p>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.</p>
<p>Hospitality associated with our business and that of its partners</p>	<p>Yes (when not exceeding a value of £50)</p>	<p>Modest hospitality, such as a sandwich lunch or networking event, is permitted and does not need to be recorded</p> <p>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.</p> <p>You should not accept invitations with a value that is greater than £50, unless you have prior approval from the Governing Body The type of</p>

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		<p>hospitality offered will also be taken into consideration, e.g. we will not normally accept invitations to sporting events, concerts, golf tournaments etc.</p> <p>In this case, the reason for acceptance must also be included in the register and countersigned by an appropriate line manager.</p>
Our people seeking donations from our contractors/suppliers when fundraising for charity	No	<p>This is permitted provided:</p> <ul style="list-style-type: none"> • Approval is gained from Management Committee prior to making any approach • Any donations received are recorded in the register <p>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.</p>
PROCURING GOODS/SERVICES		
Sale of a property under Right To Buy to someone affected by this policy	Not applicable	This is permitted with no requirement to declare in the register. The normal process for valuation and sale should be followed and our normal policy would be applied.
Sale of our interest (whole or part) in a property to someone affected by this policy via LIFT, HomeBuy; Help to Buy or other LCHO scheme	Not applicable	<p>This is permitted, provided:</p> <ul style="list-style-type: none"> • Our policy and procedures are followed • The prospective purchaser should play no part in the processing of the transaction by the organisation • It is declared and recorded in the register within five days of the missives being concluded confirming the process followed.
The organisation entering into a contract with an	No (in almost all	This is not permitted in almost all circumstances. We could only consider

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organisation where one of our people, or someone connected to them, has significant control.	cases)	<p>this where:</p> <ul style="list-style-type: none"> • 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) <p>In such rare circumstances, the appointment would be recorded in the register along with details of the process followed.</p>
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)	<p>This cannot be permitted in almost all cases.</p> <p>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:</p> <ul style="list-style-type: none"> • 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 normally be avoided, and will only be potentially permitted if the procedure identified in Section 4.7 is followed

Appendix 2 - EVH Retiral/Long Service Awards Scheme

Contribution to Retirement/Leaving Gift to mark long service

	<u>2019</u>
5 – 10 years service	£100
10 - 15 years service	£125
15 – 20 years service	£175
20 years plus service	£225

These amounts will be reviewed annually in line with Evh Salaries and Allowances.