



## Managing Conflicts of Interest Policy (Gifts & Hospitality and Payments & Benefits)

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Applicable to	Colleagues, Board/Committee Members, Agency Staff, Involved Customers, Volunteers, Consultants, Contractors and Agents	
Policy Owner	Head of Governance & Risk	
Policy Author	Name: Jennifer Scarlett	Job Title: Finance Manager
Approved by	Home Board	
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	<ul style="list-style-type: none"> <li>For the full version history of this policy, click <a href="#">HERE</a></li> <li>Please avoid referring to printed versions of this policy or saving it on shared/ individual drives. All policies and supporting resources can be found under 'Policy and Procedures' on the intranet. Printed and saved versions may quickly go out of date- contact <a href="mailto:policy@homegroup.org.uk">policy@homegroup.org.uk</a> for support and advice</li> </ul>	

## 1.0 Purpose of policy

Colleagues, board/committee members, involved customers (i.e. members of the Customer Forum, regional viewpoint teams and other customers involved in the selection of contractors/suppliers and colleague recruitment), and others directly involved in delivering Home Group's business activities, must take all reasonable steps to make sure that no conflict arises, or could reasonably be perceived to arise, between their responsibilities to Home Group and any personal interests they might have.

In order to uphold Home Group's reputation, everyone involved in its business activities must behave with integrity, and be seen to do so.

The purpose of this policy is to establish a framework on gifts and hospitality, non-contractual payments and benefits, and declaration of interests to ensure that Home Group (including its subsidiaries) operates within regulatory requirements and according to best practice.

## 2.0 Policy scope

This policy applies to:

- Home Group Limited;
- Home Group's subsidiaries;
- All other parties who are given access to Home Group's information and premises.

This policy covers all persons whether:

- Home Group colleagues;
- Board/committee members;
- Temporary agency staff, involved customers or volunteers;
- Consultants, contractors and agents (whether employed or on a casual or freelance basis or otherwise).

## 3.0 Legal and Regulatory Framework

Under both the English (Regulator of Social Housing) and the Scottish (Scottish Housing Regulator) Regulatory Frameworks, and in order to comply with best practice, providers are required to ensure appropriate probity arrangements are in place to uphold the conduct and standards of behaviour of their staff and board members. This can be achieved through having an appropriate code of conduct and transparent policies relating to non-contractual payments and benefits, gifts and hospitality, and disclosing personal interests which may give rise to a conflict of interest (whether real or perceived).

Home Group's code of conduct, which is aligned to the NHF code of conduct 2022 and the Scottish Federation of Housing Associations (SFHA) code of conduct 2021, can be found within the [Governance Standards](#).

## 4.0 Declarations of Interest

Home Group respects the rights of individuals to have interests outside the organisation, and recognises that the skills, knowledge and experience which they can bring to Home Group from external activities can add great value.

However they must not put themselves in a position where their personal interests or duties to other organisations conflict, or might conflict, with their responsibilities to Home Group. In particular:

- They should never allow private or personal interests (financial or non-financial) to influence business decisions;
- They should never use their position for personal gain, or that of friends and family;
- They should declare any relevant personal interests so that conflicts of interest (whether real or perceived) can be managed.

### 4.1 *What is a relevant personal interest?*

A personal interest is relevant when it might conflict with the business of Home Group, or a member of the public might perceive that a conflict exists. It is the responsibility of the individual to identify any personal interests they might have that would be considered relevant, and the Company Secretary and Governance team can provide advice on this.

Some of the more usual relevant personal interests that may occur are:

- Being employed, or a director of, a company or business which provides products or services to Home Group;
- Owning significant land or property in an area in which Home Group operates;
- Holding a tenancy or a leasehold interest in a property owned by Home Group;
- Being a member of a campaigning, residents or community organisation which has interests in the business of Home Group;
- Positions of public responsibility.

### 4.2 *Declaring relevant personal interests*

Any relevant personal interests must be disclosed as soon as possible to the Company Secretary, using [form F203a](#). This is recorded in the register of interests, which may be made available for public inspection if requested.

In addition, the Executive Team and non-executive Board and Committee members are required to make an annual declaration of interests, which is published on Home Group's website.

### ***4.3 Withholding information or providing misleading information***

Where there is evidence that an individual has withheld information, or provided misleading information (whether deliberately or taking insufficient care), disciplinary action or dismissal may result.

### ***4.4 Managing conflicts of interest on boards and committees***

Two members of Home Group's board are permitted to serve on the boards of Registered Providers outside the Group, provided that any resulting conflict/dualities of interests is managed in accordance with the Group's Governance Standards. Where board membership of such external registered providers creates a conflict/duality of interests that is material and likely to affect the ability of a board member to fulfil their role on an ongoing basis, the board member concerned will discuss this with the Home Group Chair, and if necessary offer to resign from the board.

## **5.0 Gifts & Hospitality**

Individuals should never do anything which they cannot justify to the public. It is not enough for them to avoid actual impropriety: they should at all times avoid any occasion for suspicion and any appearance of improper conduct.

The fundamental principle is that caution must be exercised whenever the giving or receiving of gifts or hospitality is contemplated and that individuals should not accept such offers if they are of any significant value or if they are intended to influence and secure business or a business advantage.

Each individual is responsible for bringing matters referred to in this policy to the attention of the relevant person, as appropriate.

Additional requirements specifically relating to the giving/receipt of gifts and hospitality are set out in the following sections of the policy.

### ***5.1 Giving gifts on behalf of Home Group***

Home Group will only offer gifts where this is appropriate, and where the gift has no significant value, or is of no material consequence.

For example this might include (and this list is not exhaustive):

- gifts made to colleagues, board/committee members or involved customers on certain occasions (e.g. token gestures of appreciation or sympathy, a gift for a colleague, board/committee member or involved customer on retirement, or a gift to mark a particular contribution or a special event such as long service with Home Group)
- gifts to colleagues, board/committee members or involved residents to mark a corporate anniversary;

- giving promotional material;
- sponsorship of local clubs or giving prizes for local competitions;
- donations of a small value to local groups or charities;

In each case, the gift must be appropriate and proportionate to the circumstances, and within budgetary parameters.

Gifts must *never* be offered during or leading up to a tender/approval process involving the recipient, or where it might be perceived that there could be any intention to influence a business decision i.e. bribery.

There is an annual limit of £300 per person for such gifts (which might be granted as a single amount/benefit or as two or more smaller ones). This limit does not provide a norm - indeed, it is anticipated that the giving of gifts under this heading will be the exception rather than the norm. It is set at this level to allow, for example, for the recipient of a small gift marking an anniversary to be able to receive an award for making a special contribution as well.

All gifts within these limits must be approved by the relevant person set out in clause 5.5. Any gift or benefit above this limit will require the prior approval of the Governance Committee or the Home Scotland Board as appropriate.

No proposed gifts or payments of dividends and non-contractual bonuses (of whatever value) may be made or paid by Home Group to a current or former shareholding member of the Home Board, a member of their family or a company of which he/she is a director, that could potentially be in contravention of s122 of the Housing and Regeneration Act 2008, without prior consideration and approval by the Governance Committee.

## ***5.2 Giving hospitality on behalf of Home Group***

Other than refreshments and modest lunches given during a business meeting, hospitality and business entertainment may only be provided by senior managers or board/committee members externally on behalf of Home Group only where it is:

- proportionate;
- clearly linked with business;
- consistent with strategic objectives; and
- within approved budgetary limits of expenditure.

Where events are intended to provide hospitality or entertainment specifically for colleagues or board/committee members or involved customers e.g. an office party, there is a limit of £50 per person for an individual event and an overall limit of £300 per person per year.

All hospitality or entertainment provided within these limits must be approved by the relevant person set out in clause 5.5. Any hospitality exceeding these limits will require the prior approval of the Governance Committee or the Home Scotland Board as appropriate.

### 5.3 *Accepting or refusing gifts*

The soliciting of legacies, gifts, tips and favours is prohibited and, as a general rule, personal gifts to colleagues, board/committee members, involved customers and others directly involved in delivering Home Group's business activities should only be accepted if they are classed as **insignificant**, such as:

- **token gifts of very low value** such as pens, diaries and small promotional items, provided that they are given as a goodwill gesture;
- **small gifts of appreciation** from individual customers and their relatives (e.g. flowers or small boxes of chocolates) where refusal would genuinely cause offence;
- gifts from groups of tenants or leaseholders by way of **collective appreciation** (e.g. to scheme managers);
- other gifts of insignificant value i.e. under £25.

If the gift is of a 'significant value' i.e. over £25, it must be first approved by the relevant person as set out in clause 5.5.

Gifts must **never** be accepted where it might be perceived that there could be any intention to influence a business decision i.e. bribery.

In particular, gifts from suppliers or contractors, such as bottles of wine or spirits and the like, should never be accepted. They should either be:

- returned to the supplier or contractor, or
- used for a fundraising raffle to support a charity unconnected with Home Group or
- donated directly to a charity unconnected with Home Group.

Whichever option is chosen, a letter to the supplier or contractor must mention what has been done with the gift.

### 5.4 *Accepting hospitality*

Offers of hospitality to Home Group colleagues, board/committee members, involved customers and others directly involved in delivering the Group's business activities should be carefully considered according to the circumstances and, other than refreshments and modest lunches taken during a business meeting, should normally only be accepted if the hospitality:

- could not reasonably be construed as influencing or attempting to influence Home Group's decisions or business negotiations;
- is on a modest scale, involving no unnecessary expense;
- is occasional and clearly linked with business; and

- is likely to benefit Home Group (this is particularly important where the hospitality appears to be more of a social than a business occasion) ie there must be a good **business** reason to accept.

If the hospitality is of a 'significant value' ie over £25, it must be first approved by the relevant person set out in clause 5.5.

Hospitality should **never** be offered or accepted during or leading up to a tender/approval process or where it might be perceived that there could be any intention to influence a business decision.

### ***5.5 Approval levels for gifts and hospitality***

Approvals from the following are required for the giving or receiving of gifts/benefits within the thresholds set out in the sections above:

- Relevant Business Management Team member – gifts/benefits to colleagues below Business Management Team level;
- Relevant Senior Management Team member – gifts/benefits to colleagues at Business Management Team level or below, and to involved customers and other individuals;
- Relevant Executive Team member – gifts/benefits to colleagues at Senior Management Team level or below;
- Chief Executive – gifts/benefits to the Executive Team, or colleagues at Senior Management Team level or below;
- Vice Chair/Senior Independent Member of the relevant board (on the advice of the Company Secretary) – gifts to the Chair of the board;
- Chair of the relevant board (on the advice of the Company Secretary) - gifts to Chief Executive and board/committee members.

### ***5.6 Declaring gifts and hospitality***

**All gifts and hospitality received**, whether corporately or by an individual are recorded in a central Gifts and Hospitality Register. Gifts will be considered corporate unless the recipient can be specifically identified.

The Register will also record the approximate value of the gift or hospitality, who it was from, and any connection they have to the organisation, or any specific individual.

The Gifts and Hospitality Register will also record gifts offered and **refused**, whether corporately or by any individual.

The Company Secretary is responsible for maintaining the central Gifts & Hospitality Register and is responsible for reporting to the Governance Committee or Home Scotland Board as

appropriate on an annual basis on hospitality given and received.

Individuals who receive (or are offered and refuse) gifts or hospitality, are responsible for gaining the appropriate approval and declaring this to the Company Secretary either by email or by using [Form F203a](#) so they can be included in the central Register.

## 6.0 Payments and Benefits

Home Group has a strict policy on the non-contractual payments and benefits it can give to colleagues, board/committee members, involved customers and those with whom they are 'closely connected' so that no person is given priority or preferential treatment or beneficial terms because of any connection with Home Group. This includes former colleagues, board/committee members and involved residents who have left the organisation in the last 12 months.

It is Home Group's policy not to make any payment or grant any benefit to any of the persons mentioned above unless that payment or benefit clearly falls within one of the Exceptions or one of the Permitted Payments and Benefits both of which are set out in sections 6.2 and 6.3 below:

### 6.1 Who is a 'closely connected' person?

A 'closely connected' person includes family members and would include the following:

- a partner (someone to whom the individual is married, a civil partner or someone with whom they live in a similar capacity);
- parent, parent-in-law;
- son or daughter, stepson or stepdaughter, the child of a partner;
- brother or sister, brother or sister of partner;
- grandparent, grandchild;
- uncle or aunt, nephew or niece;
- the partners of any of these people;
- any dependents;
- any person on whom the individual depends

This would include estranged, separated and divorced family members.

A "closely connected person" also includes someone with whom the individual has a close association (such as a personal friend).



## 6.2 Exceptions to the Payments and Benefits policy

The following are not within the scope of the Payments and Benefits policy:

- a) **payments made or benefits granted to a colleague** under his or her contract of employment with Home Group.
- b) **payment of board/committee member remuneration and expenses.** The NHF has issued general guidance on the subject of non-executive remuneration. Home Group's Board Member Remuneration Framework is compliant with NHF guidance and best practice and is set out in our Governance Standards.
- c) **the granting of a further tenancy** to a tenant if they, or someone with whom they are closely connected, has become a colleague, board/committee member, or involved customer after the tenancy was first granted: *provided that the further grant of tenancy meets Home Group's published allocations criteria and no preferential consideration is given to the application and there is disclosure of the individual's interest or connection.*
- d) **payment of involved customers' expenses,** in accordance with Home Group's Involvement Expenses Policy.

Exceptions do not need to be approved or recorded in the Register of Payments & Benefits.

## 6.3 Permitted Payments and Benefits

This policy permits the making or granting of certain payments and benefits as detailed in the following table. This must meet the necessary criteria and be approved by the appropriate person as set out in the table, with the exception of:

**Any Permitted Payment or Benefit involving a board/committee member or a member of the Executive Team** must first be approved by the Governance Committee or Home Scotland Board as appropriate.

**Special Approvals** – the Governance Committee or Home Scotland Board have authority to approve a proposed payment or benefit which does not fall within the Permitted Payments & Benefits and which would otherwise be in breach of this policy.

All decisions taken in relation to Permitted Payments & Benefits are recorded as such with the date and summary details of payments made or benefits granted, in the central Register of Payments & Benefits maintained by the Home Group Company Secretary. The Register is kept available for public inspection at Home Group's Head Office at all reasonable times. The Register details include:

- the category of permitted payment or benefit;
- the name of the person or business involved;
- the relationship or connection with Home Group;

- a description of the payment made or the benefit granted (for example, the address of the property or the job title of the post concerned);
- the value of the payment or benefit granted (in kind); and
- the name of the relevant person who authorised the payment or benefit.

The Company Secretary is responsible for making an annual report to the Governance Committee or Home Scotland Board as appropriate on payments and benefits made during the preceding year.

## Permitted Payments & Benefits

Payment or Benefit	Requirements that must be met	Approval required
<p>Housing of a colleague, board/committee member, an involved customer or a person with whom he or she is closely connected</p> <p>(this includes lettings and non-statutory property sales)</p>	<ul style="list-style-type: none"> <li>• there must be disclosure of the individual's interest or connection;</li> <li>• consideration of the application must be based solely on Home Group's published allocations criteria; and</li> <li>• no person having any direct personal knowledge of the applicant plays any part in the assessment or decision.</li> </ul>	<p>Lettings must be approved by the relevant Head of Service Delivery, in liaison with the relevant Operations Manager.</p> <p>Sales must be approved by the Executive Director – Development, in liaison with the Head of Sales.</p>
<p>Employment of an involved customer or an individual who has close connections to a board/committee member, involved customer or colleague</p>	<ul style="list-style-type: none"> <li>• there is disclosure of the individual's interest or connection;</li> <li>• consideration of the application is based on merit and suitability in relation to the requirements of the post;</li> <li>• no person having any direct personal knowledge of the applicant plays any part in the assessment or decision; and</li> <li>• the offer of employment would not result in any unmanageable conflict of interest (e.g. through creating line management responsibility for a close relative).</li> </ul>	<p>The relevant SMT member who has ultimate line management responsibility for the employee, in liaison with the Director of People or the Head of Organisation Development and Learning</p>
<p>Making a specified payment to any tenant of Home Group, who is also a colleague, board/committee member or involved customer:</p>	<ul style="list-style-type: none"> <li>• provided they meet the qualifying criteria (examples would include decoration allowances, ex-gratia compensation payments etc).</li> </ul>	<p>The relevant Head of Service Delivery, in liaison with the relevant Operations Manager.</p>

Payment or Benefit	Requirements that must be met	Approval required
<p>Payment of a voluntary severance or redundancy payment to a colleague, which is outside the contract of employment e.g. because of restructuring, early retirement or redundancy.</p>	<ul style="list-style-type: none"> <li>• provided that the amount that can be paid is restricted to an amount up to the equivalent of one year's gross remuneration payable to colleagues with ten or more years service.</li> </ul> <p><i>Colleagues with fewer years should be paid on a strictly pro-rata basis on completed years service. This cannot be used in cases where the colleague is subject to any disciplinary action directly related to the reason for their leaving or where the colleague is in an employment-related dispute with Home Group.</i></p>	<p>The relevant Executive Team or SMT member who has ultimate line management responsibility for the employee, in liaison with the Director of People or the Head of Organisation Development and Learning</p>
<p>Out of Court settlements in relation to a case which is likely to be referred to an Employment Tribunal (ET)</p>	<p>provided legal advice has been taken and indicates any of the following circumstances:</p> <ul style="list-style-type: none"> <li>• extended delays or protracted proceedings are likely to give rise to substantial costs over and above any predicted ET settlement;</li> <li>• operational performance is likely to be adversely affected if the case is not resolved quickly; or</li> <li>• defence of the action is unlikely to be successful given the nature of the claim.</li> </ul>	<p>The relevant Executive Team or SMT member who has ultimate line management responsibility for the employee, in liaison with the Director of People or the Head of Organisation Development and Learning</p>

Payment or Benefit	Requirements that must be met	Approval required
<p>A payment or grant of a benefit to a business trading for profit in which a colleague, board/committee member or involved customer or those with whom they are closely connected is a principal proprietor or is directly concerned in the management of.</p>	<ul style="list-style-type: none"> <li>• there must be disclosure of the individual's interest or connection;</li> <li>• the procurement process is fair and accountable;</li> <li>• it is in accordance with Home Group's Procurement Policy; and</li> <li>• the person is not involved in the contract procurement or management of the contract.</li> </ul>	<p>The Head of Procurement, in consultation with the Director of Finance</p>
<p>Provision of an indemnity to a colleague or board/committee member against specified expenses in connection with any civil or criminal proceedings in relation to Home Group or application for relief from liability for negligence, default, breach of duty or breach of trust in relation to Home Group</p>	<ul style="list-style-type: none"> <li>• provided the colleague or board/committee member is not found guilty or judgement is given against him or her (e.g. advancing legal costs by way of a loan under an indemnity.)</li> </ul>	<p>The Company Secretary, or Director of Legal Services</p>
<p>Payments to tenants who are also colleagues, board/committee members or involved customers under regulatory sales schemes such as Homebuy, Social Homebuy etc</p>	<ul style="list-style-type: none"> <li>• provided that they meet the published criteria.</li> </ul>	<p>The Executive Director – Development, in liaison with the Head of Sales.</p>

## 7.0 How to Declare Gifts, Hospitality, Payments and Benefits

Gifts, hospitality, payments and benefits should all be declared to the Home Group Company Secretary either by email or by using [Form F203a](#) so they can be included in the central Register.

## 8.0 Breaches of this Policy

If a colleague or involved customer knowingly breaches the conditions of this policy, this may be grounds for disciplinary action or removal from involvement.

Similarly, if a board/committee member knowingly breaches the conditions of this policy, this may constitute grounds for removal from office in accordance with Home Group's or Home Scotland's Rules.

Home Group may take steps to recover payments and benefits made in contravention of this policy. For example, if a tenancy is granted in breach of this policy, Home Group may decide to take action to recover possession.

## 9.0 Monitoring and Review

The Company Secretary is responsible for providing advice and direction on this policy and for maintaining the central registers, and reporting annually to the Governance Committee or Home Scotland Board.

This policy will be formally reviewed by the Governance Committee every three years.

## 10.0 Supporting documents

In order to comply with Home Group's approach to Managing Conflicts of Interest, the relevant processes and policy compliance notes must be followed in line with stated roles and responsibilities. Colleagues should refer to our internal index for the full list of supporting documents.

## 11.0 Version history

Version Number	Effective Date	Amendment made by (name & job title)	Version approved by (name & job title)	Description of Changes
1.0	18 Nov 2014	Kath Armstrong (Senior Corporate Lawyer)	Board	Original Version approved by Board on 18 November 2014
2.0	6 April 2017	Kath Armstrong (Senior Corporate Lawyer)	Board	Reviewed and revised to change authorisation levels for approving benefits
2.1	2 January 2018	Beth Bishop (Compliance Business Partner Policy)	N/A	Re-branded
3	19 July 2018	Kath Armstrong	Board	Revised to reflect removal of separate register in Scotland and the establishment of a central register. Also, to clarify in the

				policy that emails will be accepted as a suitable alternative to declaration forms (following RAS audit in August 2017). Also, general updates to roles etc
3.1	29 July 2021	Kath Armstrong	Board	Minor amendments to reflect changes as to who can authorise employment related payments and benefits
4.0	1 April 2023	Jennifer Scarlett (Finance Manager)	Board	Revised to incorporate declarations of interest as previously included within the Governance Standards; minor changes to update roles and restructure the policy.