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## Entitlements, Payments, Benefits and Policy

Policy Number – G01

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<b>Prepared By</b>	Corporate Services
<b>Policy Created</b>	Entitlements, Payments, Benefits and (Remuneration) Board Policy
<b>Effective Date</b>	October 2020
<b>Review Date</b>	October 2023
<b>Posted on Website</b>	Yes

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## **1. Introduction**

1.1 Who the Policy Affects

1.2 This policy is aimed at people who are;

- Members of our Governing Body at Clyde Valley Housing Association (CVG) and of the Governing Body of any of our subsidiary Clyde Valley Property Services (CVPS).
- Everyone who works for us or any of our subsidiaries of the Clyde Valley Group. (CVG)

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

1.4 CVG’s Board Remuneration Policy forms part of this Policy as Annex 1.

## **2. About This Policy**

2.1 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. We must ensure that the organisation upholds its reputation and that of the sector. Our people cannot benefit inappropriately from their connection with CVG.

2.2 This policy describes the entitlements, payments or 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.

2.3 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<sup>1</sup> and charity legislation. The Association must and will comply with the Charities and Trustee Investment (Scotland) Act 2005 and any associated guidance from the Office of the Scottish Charity Regulator when considering and reviewing payment or benefits to the charity trustees. If a person serves on the Board or Committee, he/she will not receive any payment or benefit unless it is permitted by the Charities and Trustee Investment (Scotland) Act 2005 and as set out in the Association’s Board Remuneration Policy

2.4 CVHA will ensure that payments to Board Members are disclosed in the audited accounts of the Association. Where the Association has one or more subsidiaries it must and will ensure that any payments and benefits to the subsidiary governing body members are included in the policy. This is a Group Policy that applies to our subsidiary Clyde Valley Property Services.

2.5 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 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.

2.6 As someone who is affected by this policy, you are personally responsible for ensuring that you are familiar with and comply with its terms.

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<sup>1</sup> Office of the Scottish Charity Regulator (Aug 2013) Guidance For Charity Trustees section 3 available <https://www.oscr.org.uk/>

2.7 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 Chairperson or Chief Executive.

### **3. What this Policy Covers**

3.1 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

### **4. Other Relevant Policies**

4.1 The Code of Conduct is linked to this policy. Failure to comply with the terms of this policy will be regarded as a breach of the Code of Conduct.

4.2 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.

4.3 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
- Learning and Development
- Expenses
- Recruitment and selection
- Sale of our Property
- Decoration Allowances/Prizes

4.5 Please note that this list is not exhaustive and you are required to comply with all of our policies and procedures.

### **5. Managing Your Interests**

#### **Registering and Declaring Interests**

5.1 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 6) has which are relevant to our business. You will be required to confirm annually that your entry is accurate and up to date.

- 5.2 Where you have an interest in any matter that is being discussed or considered at a meeting, you must declare your interest and play no part in the discussion; you must withdraw from any part of a meeting where the interest arises.
- 5.3 The Code of Conduct also contains a section on Declaring Interests that you should comply with at all times.
- 5.4 An annual report will be made to our Governing Body on the entitlements, payments, benefits that have been recorded in the Register.

## **6. Entitlements, Payments and Benefits**

- Many of the interests you will be required to declare can be classed as entitlements, payments or benefits.
- As one of our people, you potentially could be offered benefits over and above that to which you are contractually entitled, 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.
- As we contribute to the economy of the area 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 7) has with any of these businesses or organisations.
- 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.
- **Appendix A** lists the entitlements, payments and benefits that fall under this policy, and states:
  - Which could be permitted by the CVG
  - Which will never be permitted by the CVG
  - Which you require to declare in the register of interests
  - Any other further requirements CVG has before permitting

## **7. People Connected to you**

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

- Someone 'closely connected' to you includes family members and persons who might reasonably be regarded as similar to family members even where there is no relationship by birth or law.
- 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 connected. Who you should consider, and our expectations of you to identify and declare such actions are outlined in Table A:

**Table A**

<b>Group</b>	<b>Required Response</b>
<p><b>Members of your household</b></p> <p>This includes:            Anyone who normally lives as part of your household (whether related to you or otherwise)            Those who are part of your household but work or study away from home</p>	<p>We expect you to be aware of and declare any relevant actions of all people in your household. You must take steps to identify, declare and manage these.</p>
<p><b>Partner, Relatives and friends</b></p> <p>This includes:            Your partner (if not part of household)            Your relatives and their partners            Your partner's close relatives (i.e. parent, child, brother or sister)            Your close friends            Anyone you are dependent upon or who is dependent upon you            Acquaintances (such as neighbours, someone you know socially or business contacts/associates)</p>	<p>Where you have a close connection and are in regular contact with anyone within this group, we expect you to be aware of and declare any relevant actions. Under these circumstances, you must take steps to identify, declare and manage these actions.</p> <p>Where you do not have a close connection and regular contact with someone in this group, we do not expect you to be aware of or to go to unreasonable lengths to identify any relevant actions. However, if you happen to become aware of relevant actions by such individuals, then these should be declared and managed as soon as possible.</p>

**8. What You Need to Consider**

The following are the relevant actions /involvement by those to whom you are closely connected that you should consider, declare and manage as per our expectations outlined in Table A: -

- A significant interest in a company or supplier that we do business with. 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 with which we do business.
- Involvement in the management of any company or supplier with which we do business
- Involvement in tendering for or the management of any contract for the provision of goods or services to us.
- Or any of the following:

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

## **9. Use of Our Contractors & Suppliers**

- 9.1 In order to help us maintain our excellent reputation, where possible you should avoid using CVG'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 list will be kept up to date and available to you on request.
- 9.2 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 our listed contractors/suppliers, 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.
- 9.3 Approval to use those contractors listed is at the discretion of the approving officer. In the first instance you should contact the Corporate Services Team. 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).
- 9.4 If you are looking to purchase goods or services from any contractor/supplier on this list then you must make a declaration of interests 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 in an emergency situation, you must notify the approving officer as quickly as possible thereafter and enter an appropriate declaration in the Register.
- 9.5 Any contractor/supplier not included on the list can be used without the need for any declaration/further action. The list 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)

## **10. Guidance for approving officer**

- 10.1 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. 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 will be formally reported annually to our Governing Body.
- a. Our Rules require the Governing Body to set our policy on payments and benefits and keep it under review. 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 Employees. These Codes have been confirmed by the Scottish Housing Regulator as meeting their regulatory requirements.
  - b. This policy was adopted by our Governing Body of Clyde Valley Housing Association on 5 October 2020 It will be reviewed not later than October 2021.

## Appendix A

### Entitlements, Payments and Benefits

	<b>CAN THIS BE PERMITTED?</b>	<b>FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?</b>
<b>HUMAN RESOURCES AND RECRUITMENT</b>		
<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"> <li>• Payment of salary to staff</li> <li>• Access to car or travel loans or salary advances where specified in the employment contract;</li> <li>• Pension and/or private health care provided as part of the remuneration package;</li> <li>• Performance related pay or bonus awarded in accordance with contractual terms;</li> <li>• Books and equipment in connection with employment or training in accordance with agreed policies and/or contractual terms</li> <li>• Reimbursement of professional fees</li> </ul>	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	Yes	<p>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<sup>2</sup> and in accordance with the CVG Board Remuneration Policy.</p> <p>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.</p>
<p>All payments made in accordance with the terms of our expenses policy including:</p> <ul style="list-style-type: none"> <li>• payment of permitted out of pocket expenses</li> <li>• reimbursement of travel costs</li> </ul>	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.

<sup>2</sup> Legislation.Gov.Uk (2005) Charities and Trustees Investment (Scotland) Act 2005 Section 67 (3) available [here](#)



	<b>CAN THIS BE PERMITTED?</b>	<b>FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?</b>
		We cannot make any other loans to individuals.
Redundancy or severance payment to an employee	Yes	<p>We can make redundancy payments to an employee in line with terms their contract or</p> <p>We can make a severance payment to an employee which is outside the terms of their contract of employment provided:</p> <ul style="list-style-type: none"> <li>• It arises directly from a decision to terminate the employee's contract of employment</li> <li>• Payment is approved by the Governing Body and submitted as a Notifiable Event to the Scottish Housing Regulator</li> <li>• 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)</li> <li>• Payment does not exceed the equivalent of one year's salary for the employee</li> <li>• That this payment is instead of (rather than additional to) any redundancy entitlement</li> </ul>
An offer of employment (temporary or permanent) to someone who is closely connected to a member of staff	Yes	<p>This is permitted as long as:</p> <ul style="list-style-type: none"> <li>• There has been an open recruitment exercise in accordance with our policy that you have not played any part in and</li> <li>• You have no direct or indirect line management or supervision responsibility for the post and</li> <li>• The offer of employment complies with our recruitment and selection policy and</li> <li>• You record your connection to the successful applicant in the register within five days of their acceptance of the offer.</li> </ul>
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.

	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL 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.	No	This cannot be permitted in accordance with the Rules of the organisation.
<b>OUR PEOPLE AS TENANTS OR SERVICE USERS</b>		
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 <ul style="list-style-type: none"> <li>• it is in accordance with our published allocations policies <b>and</b></li> <li>• Neither the applicant or anyone connected to the applicant is involved in any way or in any part of the allocation process <b>and</b></li> <li>• The offer is approved by the Governing Body in advance <b>and</b></li> <li>• The tenancy is recorded as an interest in the appropriate register within five days of the tenancy commencing</li> </ul>
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	<b>Repairs</b> carried out in accordance with our policy do not need to be recorded.  <b>Adaptations</b> must comply with our policy and be approved. The adaptation should be recorded in the register of interests within five days of approval.  <b>Improvements</b> 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
<b>TRAINING AND EVENTS</b>		
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 (where not exceeding £500)	The Governing Body must approve attendance prior, and will only do so if: <ul style="list-style-type: none"> <li>• The organisation or one of our people (because of their role with</li> </ul>

	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
		<p>us) has been nominated for an award; or</p> <ul style="list-style-type: none"> <li>• Attendance is in recognition of achievement of or in pursuit of appropriate business development; or</li> <li>• We can demonstrate that attendance or participation is directly related to furthering our aims and objectives.</li> </ul> <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 <b>travel</b>, accommodation and the costs of attendance at the event) within five days of attendance.</p> <p><b>The total cost should not exceed £500 per person and we will make all arrangements in advance.</b></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>
<b>GIFTS AND HOSPITALITY</b>		
<p>Gifts received from tenants and external sources</p>	<p>Yes (not exceeding a value of £25)</p>	<p>Any perishable gifts received by you throughout the year i.e. cakes, chocolates etc. which have a short lifespan, whether addressed to you individually or otherwise, should be logged on the Gifts and Hospitality Register and thereafter common sense should prevail in either retention of the gift by you or distribution to other members of staff within your respective office if possible.</p> <p>All gifts which are non-perishable, i.e. alcoholic drinks, etc. whether addressed to you individually or otherwise, should be logged on the Gifts and Hospitality Register and thereafter placed in a common pool and will be raffled with all proceeds going to the chosen corporate charity for each year. These gifts can be accepted if:</p> <ul style="list-style-type: none"> <li>• The value does not exceed £25</li> <li>• You do not receive more than one such gift from the same source in a 12-month period</li> <li>• You record receipt of the gift in the register</li> </ul> <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</p>

	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
		<p>offence or otherwise damage our reputation. In these cases, you must:</p> <ul style="list-style-type: none"> <li>• Advise the donor that the gift will be donated to charity or will form part of our annual charity fund raising activities</li> <li>• Record the gift and the action taken in the register within five days</li> </ul> <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 (regardless of their value) that you decline and the reasons for this in the register within five days.</p>
Gifts given from us to one of our people or received by one of our people from external sources to mark special occasions.	Yes (not exceeding a value of £25)	<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"> <li>• Family events (e.g. marriage, milestone birthday, birth of a child),</li> <li>• Retirement</li> <li>• Leaving the organisation</li> </ul> <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>
Hospitality associated with our business and that of its partners	Yes (when not exceeding a value of £50)	<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><b>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 hospitality offered will also be taken into consideration, e.g. we will not normally accept invitations to sporting events, concerts, golf tournaments etc.</b></p> <p>In this case, the reason for acceptance must also be included in the register and</p>

	<b>CAN THIS BE PERMITTED?</b>	<b>FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?</b>
		countersigned by Finance & Corporate Services Director
Our people seeking donations from our contractors/suppliers when fundraising for charity	Yes	<p>This is permitted provided:</p> <ul style="list-style-type: none"> <li>• Approval is gained prior to making any approach</li> <li>• Any donations received are recorded in the register</li> </ul> <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>
<b>PROCURING GOODS/SERVICES</b>		
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	Yes	<p>This is permitted, provided:</p> <ul style="list-style-type: none"> <li>• Our policy and procedures are followed</li> <li>• The prospective purchaser should play no part in the processing of the transaction by the organisation</li> <li>• It is declared and recorded in the register within five days of the missives being concluded confirming the process followed.</li> </ul>
The organisation entering into a contract with an organisation where one of our people, or someone connected to them, has significant control.	No (in almost all cases)	<p>This is not permitted in almost all circumstances. We could only consider this where:</p> <ul style="list-style-type: none"> <li>• The person affected by this policy is not involved in any part of the procurement process or decision</li> <li>• The appointment is approved by the Governing Body which is satisfied that the appointment is reasonable in the circumstances</li> <li>• There is no reasonable alternative (e.g. because of geography or the specialist nature of the goods/services)</li> </ul> <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"> <li>• Our policy and procedures are followed</li> </ul>

	<b>CAN THIS BE PERMITTED?</b>	<b>FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?</b>
		<ul style="list-style-type: none"> <li>• The prospective seller plays no part in the decision to purchase the property or the processing of the transaction by the organisation</li> <li>• It is declared and recorded in the register within five days upon conclusion</li> </ul>
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 is followed

## Annex 1 Board Remuneration Policy

**Policy Number – G01(a)**

<b>Prepared By</b>	Corporate Services
<b>Policy Created</b>	Entitlements, Payments and Benefits Policy Annex – Board Remuneration Policy
<b>Effective Date</b>	October 2020
<b>Review Date</b>	October 2023
<b>Posted on Website</b>	No awaiting approval

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## **1. Introduction**

1.1 This policy is aimed at people who are:

- Members of our Governing Body at Clyde Valley Housing Association (CVG) and of the governing body of any of our subsidiary Clyde Valley Property Services (CVPS).
- Everyone who works for us or any of our subsidiaries of the Clyde Valley Group (CVG)

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

## **2. About This Policy**

2.1 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. We must ensure that the organisation upholds its reputation and that of the sector. Our people cannot benefit inappropriately from their connection with CVG.

2.2 The Board Remuneration policy is an annex of CVG’s Entitlements, Payments and Benefits policy. The entitlement, payments and benefits policy includes the arrangements that we have in place to ensure that the requirements of this policy are observed.

2.3 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 there is no justifiable public perception of impropriety.

2.4 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.

2.5 The Payments and Benefits 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 improperly or inappropriately from their involvement with us, but also that they are not unfairly disadvantaged.

2.6 Board Members who are affected by this policy, are personally responsible for ensuring that they are familiar with and comply with its terms.

2.7 At all times, we expect a common-sense approach to be applied to the interpretation and application of the payments and benefits policy. If someone is eligible for and/or receive remuneration as a Board Member and they are unsure about anything relating to this Board Remuneration Policy, they must should consult with the Company Secretary.

## **3. What this Policy Covers**

3.1 This policy covers:

- Managing Interests
- Ensuring Regulatory Compliance and Transparency
- Eligibility and Policy criteria for Board Member Remuneration



- Remuneration Payments, determination and review
- Management of performance

#### **4. Other Relevant Policies**

4.1 The Code of Conduct is linked to this policy. Failure to comply with the terms of this policy will be regarded as a breach of the Code of Conduct.

4.2 Our policies relating to the following are of particular relevance to this policy and must be complied with at all times:

- Anti-fraud and bribery
- Board composition and recruitment
- Board Appraisal
- Expenses
- Recruitment of Board Members

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

#### **5. Managing Your Interests**

##### **Registering and Declaring Interests**

5.1 In order to protect our reputation and demonstrate that we conduct our affairs with openness, honesty and integrity, we maintain a Register of Interests. All Board Remuneration Payments must be recorded as an interest in this register and people in receipt of payment will be required to confirm annually that their entry is accurate and up to date.

#### **6. Ensuring Regulatory Compliance and Transparency**

6.1 This Policy complies with:

- The Scottish Housing Regulatory Framework (Standards of Governance and Financial Management Standard 6.6): which state 'if the governing body decides to pay any of its non- executive members then it has a policy framework to demonstrate clearly how paying its members will enhance decision-making, strengthen accountability and ownership of decisions, improve overall quality of good governance and financial management and deliver value for money' and;
- Requirements of CVHA as a charity by the Office of the Scottish Charity Regulator for trustee remuneration. Any personal benefit to a charity trustee, whether direct or indirect, whether payment or benefit in kind, and whether received by a charity trustee or a person, institution, firm or company connected to a charity trustee, has to comply with the conditions set out in Section 67 of the Charities and Trustee Investment (Scotland) Act 2005.

The conditions are:

6.1.1 A maximum amount of any benefit must be set in writing – a written agreement as to the benefit (and the amount paid for it) requires to be put in place on each occasion a Board member or a “connected” person or company benefits.

- 6.1.2 The amount of the benefit must be reasonable – the amount of benefit (whether to a Board member or a “connected” person or company) should never be more than would be paid to a non-connected person or company.
- 6.1.3 When the trustees agree to the benefit, less than half of the trustees receive any remuneration / benefit – this is a matter of fact to be checked on each occasion a decision is made to permit remuneration / benefit.
- 6.1.4 The benefit should be the charity’s best interest – this is for the trustees to decide.
- 6.1.5 There is nothing in the charity’s constitution to prohibit the benefit being offered. CVHA’s Rule 38.4 provides for Board Remuneration.
- 6.2 CVG will publish this policy on its website and make a copy available upon request. CVG has sought the views of its customers upon this policy and will do so at each review.

## **7. Eligibility and Policy Criteria for Board Member Remuneration**

- 7.1 The following CVG Board Roles are eligible for remuneration:
- Chairperson of Clyde Valley Housing Association
  - Audit Committee Chairperson of Clyde Valley Housing Association
  - Chairperson of Clyde Valley Property Services

The number of remunerated roles satisfies OSCR requirements in that this means less than half of the trustees received remuneration or benefit.

- 7.2 The policy criteria for CVG in making these positions eligible for payment are:
- To recognise the amount of work and time involved
  - To recognise the level of responsibility, ownership and accountability being taken
  - To attract and retain the right people with the right skills and commitment required to lead CVG’s business and financial strategy, ensure legislative and regulatory compliance and enhance decision making by the governing body

## **8. Remuneration Payments, determination and review**

- 8.1 The level of payment awarded is modest to reflect the policy criteria in 7.2 above, and is not based upon the amount of time and commitment involved, which may vary and will require flexibility. The level of payment is also intended to provide good value for money.
- 8.2 The annual levels of remuneration is are as follows:
- Chairperson of Clyde Valley Group - £5400
  - Audit Committee Chairperson of Clyde Valley Group £4000
  - Chairperson of Clyde Valley Property Services £4000

Payments will be subject to tax and those people receiving payment will be required to seek personal tax advice as required.

- 8.3 The level of payment will be fixed for 3 years and reviewed in October 2023. At that point there will be a benchmark review against industry norms. If there is a material change in CVG’s business requirements prior to this date, such a review can be brought forward.

## **9. Management of Performance**

- 9.1 The performance appraisal arrangements for paid non-executive members will be different from other non-executive members in that appraisals will be conducted by non-paid members.
- 9.2 There are Job Roles and Person Specifications for paid roles included in this policy (Appendix 1-4) and contractual letters of appointment (Appendix 5) which will be signed by non-executives eligible for payment prior to receipt of first payment. These documents take account of the requirements of office bearers set out in CVHA's Rules and the Scottish Housing Regulatory Framework.

## **10. Review**

- 10.1 Our Rules require the Governing Body to set our policy on Board Remuneration and keep it under review. This policy has been approved by our Governing Body and is consistent with the requirements of our Code of Conduct for Governing Body Members.
- 10.2 This policy was adopted by our Governing Body of Clyde Valley Housing Association on 5 October 2020. It will be reviewed no later than October 2023.

