



# Entitlements, Payments and Benefits Policy

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## Version Control

Date	Owner	Version	Reason for Change
July 2023	Michaela Loughlin		Cyclical review

## Summary of Changes

Section	Change
Whole policy	ARK to Ark
Whole policy	Incorporated SFHA Model Entitlements, Payments and Benefits Policy
1.0	Ark Values changed to new format
6 & 11	SLT changed to OMT
7.7	Secondary Employment added

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## 1.0 Ark's Values

Ark's values are true to the core purpose of the organisation and the services we deliver. They determine our behaviours towards one another and what we should expect in our relationships with one another. Working within the following values will guide and help us deliver our vision and mission of Ark being an organisation where everyone is equal:

### Trust

We have confidence in our people to deliver excellent services and trust in them to do so. We will develop trusting and honest relationships and our customers will feel assured that they can rely on us to deliver.

### Respect

We treat everyone fairly and we listen. We are respectful of each person with whom we come into contact and expect our people to respond professionally and treat others as they would wish to be treated.

### Understanding

We will operate with empathy and compassion and approach each situation with an open mind. We will question and challenge to ensure we achieve the right outcomes for customers and our people.

### Equality

We believe everyone is equal and expect our people to create positive experiences where everyone feels valued and included.

### Integrity

We will do the right thing and take responsibility for our actions. We will work together to uphold the highest standards of behaviour and practice.

## 2.0 Purpose

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 our Regulators, partners and funders. We must ensure that our organisation upholds its reputation and that of the sector. Our people cannot benefit inappropriately from their connection to us.

This policy describes the entitlements, payments and benefits that our people are able to receive. It also describes what is not permitted and the arrangements that we have in place to ensure that the requirements of this policy are observed.

Our Rules require that we have a policy dealing with payments and benefits.

The Scottish Housing Regulator (SHR) requires us to have a policy that sets out what payments and benefits we permit and to ensure that these arrangements demonstrate transparency, honesty and propriety. We must ensure there is no justifiable public perception of impropriety. This policy is based on the SFHA's Model Entitlements Payments and Benefits Policy, which the SHR have confirmed meets their regulatory requirements.

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.

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

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

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 entitlements, payments and benefits you should consult with the Chair or CEO (if you are a member of the governing body) or with your line manager (if you are a member of staff).

### 3.0 Policy Statement

Ark will implement a system for identifying, managing and recording the entitlements, payments and benefits that our people are able to receive. We will identify what is not permitted, and the arrangements that we have in place to ensure that the policy requirements are observed.

In order to protect our reputation and demonstrate that we conduct our affairs with openness, honesty and integrity, we will implement and maintain a Register of Interests. Our people will record in this register any interests that they or someone connected to them have which are relevant to our business. We will also record any secondary employment.

We will implement a system for managing and recording gifts or hospitality from external parties. Our system will specify which entitlements, payments and benefits we can never permit, and those which have additional requirements or conditions that must be met before we can permit them.

## 4.0 Scope

This policy is aimed at:

- All members of our Board of Management and of the Board of Management of any of our subsidiaries.
- Everyone who works for us or any of our subsidiaries.

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

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
- Secondary Employment

## 5.0 Legal/Regulatory Framework

The key regulatory framework underpinning this policy, and the supporting procedure, is the SHR’s Regulatory Framework, published in February 2019, and in particular Standard 5 in relation to the Ark conducting its affairs with honesty and integrity.

As well as the regulatory imperatives, ensuring that Ark meets its obligations in relation to the SHR’s Regulatory Framework is also in keeping with Ark’s Values, ensures safe policy making, and therefore makes good business sense, as well as supporting continuous improvement.

## 6.0 Responsibilities

### 6.1 Board of Management

Ark's Board of Management is responsible for consideration and approval of this policy.

### 6.2 Executive Team

Ark's Executive Team is responsible for ensuring that this policy is reviewed in accordance with Ark's schedule for review of policies, or sooner if required.

### 6.3 Operational Management Team

Ark's Operational Management Team is responsible for review of the policy, and for ensuring that all Ark's people are familiar with this policy, and abide by its terms.

### 6.4 Managers

Ark's Managers will be responsible for the effective implementation of this policy within their area of responsibility. They must also ensure that each member of their staff, through induction, and team meetings, is made aware of this policy and that they comply with its terms, and make all relevant declarations.

### 6.5 All Staff

All Ark employees are required to familiarise themselves with this policy and ensure that they comply with its terms, and make all relevant declarations.

### 6.6 Third Parties

Ark will ensure that relevant third parties are familiar with the terms of this policy, and associated duties, as necessary.

## 7.0 Related Policies & Procedures

### 7.1 Code of Conduct

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

You are also required to be familiar with and observe the terms of our G20 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.

This policy should be read in conjunction with the following:

- G03 - Staff Code of Conduct Policy
- GO1 - Board Members Code of Governance
- GO2 - Board Members Code of Conduct
- G20 – Fraud Policy

## 7.2 Managing your interests

### Registering and Declaring Interests

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 has which are relevant to our business and /or our activities. You will be required to maintain the accuracy of the interests you declare and to confirm annually that your entry is accurate and up to date.

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

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

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

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

- Tenancy of a property of which we are the landlord.
- Occupancy or ownership of a property which is factored or receives property related services from us.
- Receipt of care or support services from us.

- Membership of a community or other voluntary organisation that is active in the area(s) we serve.
- Voluntary work with another RSL or with an organisation that does, or is likely to do, business with us.
- Membership of the governing body of another RSL.
- Being an elected member of any local authority where we are active.
- If you purchase goods or services from us.
- If you purchase goods or services from one of our contractors or suppliers (see section 4).
- Significant shareholding in a company that we do business with (or are considering doing business with).
- Membership of any other body whose interests and/or activities may directly affect our work or activities.
- Ownership of land or property in our areas of operation. This excludes property for the purpose of your own residential use (i.e. there is no requirement for you to declare any house in which you currently live).
- Unresolved dispute relating to the provision of services in connection with a tenancy or occupancy agreement or a contractual dispute over the provision of goods or services with us.
- Secondary Employment.

You should note that in some circumstances, declaration of an interest may not be sufficient, and that it may be necessary for the organisation to take additional measures to deal satisfactorily with the situation so as to protect the probity and reputations of both you and the organisation.

### 7.3 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 entitled (as a result of policy or contractual terms), such as gifts or hospitality from



external parties. Such offers would be as a direct result of you being one of our people and cannot always be accepted. We require that any such offers are managed and recorded very carefully to ensure the highest levels of probity in our organisation. Our people should not benefit – or be seen to benefit – inappropriately from their involvement with us.

Apart from payments that our people are entitled to by contract, statute, policy or other agreement (e.g. salary, expenses), we will only make a payment to, or accept a payment from, someone affected by this policy in exceptional circumstances. G11a Declaration of Interests and Secondary Employment Procedure explains the payments we can and cannot make in more detail.

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

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 organisation
- Which will never be permitted by the organisation
- Which you require to declare in the Register of interests
- Any other further requirements the organisation has before permitting

## 7.4 People connected to you

### Who Else You Should Consider When Declaring Interests

Someone ‘closely connected’ to you includes members of your household, family members and other relatives and your friends. 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 below. If you are in any doubt about whether or not a declaration is required, you should consult the Chair, CEO or, for staff, your line manager.

**Table A**

Group	Required Response
<p><b>1. Members of your household</b></p> <p>This includes:</p> <ul style="list-style-type: none"> <li>• Anyone who normally lives as part of your household (whether related to you or otherwise)</li> <li>• Those who are part of your household but work or study away from home</li> </ul>	<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>2. Partner, Relatives and friends</b></p> <p>This includes:</p> <ul style="list-style-type: none"> <li>• Your partner (if not part of household)</li> <li>• Your relatives and their partners</li> <li>• Your partner’s close relatives (i.e. parent, child, brother or sister)</li> <li>• Your friends</li> <li>• Anyone you are dependent upon or who is dependent upon you</li> </ul>	<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>

## 7.5 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 (please be aware that this list is not exhaustive or exclusive):

- A significant interest in a company or supplier that we do business with (or are considering doing 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 (or are considering doing business with)
- Involvement in the management of any company or supplier with which we do business (or are considering doing business with)
- Involvement in tendering for or the management of any contract for the provision of goods or services to us.
- Application for employment with us.
- Application to join our Board of Management or any of its subsidiaries
- Application to be a tenant or service user of Ark or any of its subsidiaries

## 7.6 Use of Our Contractors & Suppliers

In order to help us maintain our excellent reputation, where possible you should avoid using the organisation's contractors/suppliers for your own personal purposes. We have made a list available to all of our people which outlines the contractors and suppliers that fall under the terms of this policy. This list is included on G11a Declaration of Interests and Secondary Employment Procedure.

We recognise that there could be certain circumstances where it might not be possible for you to avoid the use of all the contractors/suppliers on this list, such as where market conditions in your local area make it difficult to obtain a reasonable selection of potential contractors or suppliers. Under such circumstances you could be permitted to use those contractors/suppliers outlined contractors and suppliers list, 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.

Approval to use those contractors listed on G11a Declaration of Interests and Secondary Employment Procedure is at the discretion of the approving officer (in accordance with our scheme of delegation). 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).

If you are looking to purchase goods or services from any contractor/supplier on this list then you must make a declaration in the register outlining:

- That you have received approval from the appropriate approving officer prior to the commencement of works.
- That you received no preferential treatment in terms of service or cost (which you will be required to demonstrate through quotations and receipts).
- Where you inadvertently use a contractor on the list in an emergency situation, you must notify the approving officer as quickly as possible thereafter and enter an appropriate declaration in the register.

Any contractor/supplier not included on the list can be used without the need for any declaration/further action. Our contractor 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. Amazon, utilities, BT, banks or national chains),

The approving officer will have an appropriate level of seniority, in accordance with our scheme of delegation. In making their decision, the approving officer will 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. This includes ensuring that the individual is not involved in any transactions with or decisions about the contractor/supplier in question on behalf of the organisation.

Ark will 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 Board of Management.

## 7.7 Secondary Employment

This is when our people are employed in another role in addition to their primary role. This role can be paid or unpaid and is usually undertaken with a different employer. Our people are required to declare secondary employment and failure to do so may be considered a disciplinary matter.

Where our people have more than one job, all of the employers involved are responsible for ensuring that they do not work more than 48 hours per week under the Working Time Regulations 1998. Reasonable enquiries should be made with them in this situation and if any concerns are raised that this limit may be exceeded, our people should be asked to sign an opt out agreement.

Ark have a responsibility to protect the health and safety of our people and to make sure that their working hours do not pose a risk to themselves or to others. If concerns are raised, Ark must take reasonable steps to remove these risks, which could include, where reasonable, requiring our people to stop working their second job or to reduce their working hours.

## 8.0 Equality Impact Assessment (EIA)

No potential equalities issues have been identified in relation to the development of this policy, and consequently an EIA has not been completed.

## 9.0 Data Protection Impact Assessment (DPIA)

No potential high risk data protection implications have been identified in relation to the development of this policy and consequently a DPIA has not been completed.

## 10.0 Stakeholder Consultation

This is a policy update in line with Ark's renewal schedule. No stakeholder consultation has been required.

## 11.0 Monitoring and Review

### 11.1 Monitoring

Ark's Executive and Operational Management Team will monitor implementation of this policy, and its supporting procedure on an ongoing basis.

### 11.2 Review

Our Rules require our Board of Management to set our policy on payments and benefits and keep it under review. This policy has been approved by our Board of Management and is based on the Model published by the SFHA. It is consistent with the requirements of our Codes of Conduct for our Board of Management members and for Staff. These Codes have been confirmed by the Scottish Housing Regulator as meeting their regulatory requirements.

This policy will be reviewed within 3 years from the date of approval by our Board of Management, in accordance with Ark's policy review framework.

