



Shareholder Gifts Policy			
Last Reviewed	March 2023	Next Review	January 2027
Responsible Officer	Company Secretary		

**Policy Statement:** We shall comply with the spirit of Section 122 of the Housing and Regeneration Act 2008 that prohibits the giving of gifts, dividends and bonuses by a Registered Provider to:

- a) Its shareholders and former shareholders.
- b) Close relatives of (a); and/or
- c) Companies with directors falling in (a) or (b).

However, we do not wish our shareholders, many of whom are tenants, to be unreasonably penalised.

- Section 122 of the Housing and Regeneration Act 2008 prohibits the giving of gifts, dividends and bonuses by a Registered Provider to:
  - (a) shareholders and former shareholders.
  - (b) close relatives of (a).
  - (c) companies with directors falling in (a) or (b).
- Section 122 sets out the following courses of action in the case of a breach:
  - (a) The Registered Provider may recover the wrongful gift/payments as a debt from the recipient.
  - (b) The regulator may require the Registered Provider to take action to recover.
- Section 122 does not give a definition of “gifts, dividends or bonuses”. They are referred to collectively within this Policy as “gifts”.
- Any payment made in accordance with a service agreement will not be deemed as a gift.

## Responsibilities

- **Board and Leadership Team:** The Board and Leadership Team have responsibility to ensure that the regulatory framework is not breached in Freebridge’s dealings with shareholders, whilst seeking to ensure that tenants are not discouraged from becoming shareholders.
- **Staff:** Staff have a responsibility to consult the Company Secretary before the provision of any gift under this Policy.

## **Situations where the provision of gifts to shareholders will not be permitted**

**We shall not** provide:

- Any gift where a condition of receipt is shareholding with Freebridge.
- Any shareholder with a gift which is lavish or excessive.
- Any shareholder with regular gifts or a series of gifts which together could be considered as lavish or excessive.

## **Situations where the provision of gifts to shareholders will be permitted**

**We shall:**

- Not withhold from a shareholder any gift which is available to them in another capacity. Examples of such gifts could be:
  - Participation in a tenant incentive scheme.
  - Access to tenant discount schemes.
  - Entry into a prize draw, for instance at a tenant event or as a “thank you” for taking part in a survey or a mystery shopping exercise.
  - A bouquet of flowers as a “thank you” for help at a community event.
- Record all gifts of this nature (including those given to Board members), and report them to the Audit and Risk Committee on an annual basis.
- Permit the provision of gifts where this facilitates Freebridge’s business. Examples of such gifts could be:
  - Refreshments provided at a Board meeting or an Annual General Meeting
  - A meal or other hospitality organised to improve team bonding, for instance for the Board or tenant groups
  - The payment of compensation, provided that this is done in accordance with Freebridge’s usual policy and procedures.
  - The writing off of rent arrears, provided that this is done in accordance with Freebridge’s usual policy and procedures.