

# Sales to Colleagues and Connected Persons Policy

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## 1. Introduction

- 1.1 Our primary purpose is the provision of affordable housing. We must avoid any possibility of claims that individuals employed, directly involved or associated with us, or a 'closely connected person' have been given preferential treatment compared with others without such an association.
- 1.2 This policy covers selling properties to colleagues or those closely connected to them in line with our Shared Ownership Policy, Code of Conduct (to be reviewed), Conflict of Interest Policy and Bribery and Corruption Policy.

## 2 Scope

- 2.1 This policy applies to shared ownership, outright sales and resales of Shared Ownership properties owned by Peabody Trust and its subsidiaries, except Rosebery Housing Association Limited and Town and Country Housing. Town and Country Housing have a Policy in place that allows sales to colleagues and connected persons.
- 2.2 It does not cover sales of commercial properties, void social housing units or any other type of housing allocation.
- 2.3 This policy applies to all colleagues and those who have a close connection to them (see section 3 for definitions).

## 3 Key terms and definitions

- 3.1 **Colleagues:** includes employees, board and committee members, contractors and temporary workers in the course of performing their duties and any involved resident who forms part of formal governance and consultation structures.
- 3.2 **Connected Persons:** a closely connected person is a family member or other person with whom a person has a close personal association. It includes but is not limited to family members, people living together as partners, ex-family members, dependents, anyone on whom an individual depends, any person who might reasonably be regarded as similar to family members even where there is no relationship by birth or in law. It can include friends, neighbours, business associates or someone known through general social contacts.
- 3.3 **Close Association:** a person with whom the individual has a 'close association' would be someone where they might have had regular or irregular contact over a period of time who was more than an acquaintance. It would be someone a member of the public might reasonably think that you would be prepared to favor or disadvantage when discussing a matter that affects them.

## 4 Approach, Controls and Safeguards

- 4.1 We allow sales to Colleagues, Connected Persons and those with a Close Association as well as involved residents provided individuals meet the eligibility criteria for Shared Ownership or Outright Sale purchases, and provided all necessary safeguards and additional controls as set out in this Policy are followed.

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- 4.2 No member of staff with personal knowledge of the applicant or in the same team as an applicant for a shared ownership property or purchaser of an outright sale property may play any part in the processing, review or approval of the transaction involving a Colleague or Connected Person.
- 4.3 For avoidance of doubt, Colleagues, Connected Persons or those with Close Association must not have had any previous involvement with regards to obtaining a market valuation or being part of the pricing process in connection with the scheme in which they are buying. If they had, a further independent valuation is required and should be instructed and approved in line with the approval matrix.
- 4.4 Shared Ownership applications must meet the eligibility criteria and be assessed by an independent financial advisor. We will assume that applicants nominated by a Local Authority have already had an impartial judgement about their relative housing need. For direct applicants we will refer to the Selection and Allocation criteria as set out in the Shared Ownership Policy.
- 4.5 Colleagues, Board Members and Connected Persons buying an outright sale purchasers must not be offered a more favourable deal than someone else, who is not connected, buying a property at that specific development. This includes the price of the property and/or any incentives offered. The price and offer agreed must be approved by the Sales Director, Executive Committee or the highest level of approval, in line with the approval matrix.

### 5 Applications review and approval

- 5.1 Applications to purchase by colleagues, governance members, connected persons or those with close association will have the following additional review and approval:
- All applications to confirm eligibility: Director of Sales
  - Employees (except Executive Directors), involved Residents and their connected persons or close association – Executive Committee
  - Executive Directors and their connected persons: CEO and Chair of the Board
  - Board, Committee Members and their connected persons – Chair of the Board and Group Secretary
- 5.2 The additional approval will include a review of:
- The necessity to ensure an arm's length transaction i.e. whether it is practically possible for the colleague to have no involvement in the case.
  - Details of the home, valuation and any incentives offered to the purchaser and on the development.

### 6. Monitoring

- 6.1 A declaration of interest will be completed on the completion of the sale in line with the Conflict of Interest Policy. Declarations of interest are updated when circumstances change and reviewed annually.

### 7 Legislation and Regulation

- 7.1 Key documents for this policy include:
- Bribery Act 2010
  - Homes England Capital Funding Guide
  - Greater London Authority (GLA) Capital Funding Guide

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## 8 Responsibilities

- 8.1 The Director of Sales has overall responsibility for this Policy. The Director of Governance and Compliance is responsible for declaration of interest compliance and monitoring.
- 8.2 The Board is responsible for review and approval of pre-sales to Board and Committee members and Executive Directors.
- 8.3 The Regional Head of Sales are responsible for ensuring that this policy is followed when processing sales applications to colleagues or anyone who has a close connection to them.

### Approval

<b>Version number</b>	1.0
<b>Effective from</b>	21 November 2022
<b>Policy owner</b>	Lisa Crush, Director of Sales