

# Anti-Fraud, Anti-Corruption and Conflict of Interest Policy



## 1. Purpose of this Policy

1.1 This Policy sets out Andium Homes Limited (“the Company”) arrangements for the prevention, detection and response to fraud, corruption, related party transactions and perceived or actual Conflicts of Interest in respect of:

1.1.1 The procurement of goods or services from external contractors and service providers;

1.1.2 The services we provide to our clients or potential clients.

## 2. Scope

2.1 This Policy applies to all colleagues and contracted partners of the Company.

2.2 The following definitions apply in relation to this Policy:

**Fraud:** The use of deception, whether successful or not, intended to result in financial or personal gain.

**Internal fraud:** Fraud (including corruption) committed by an employee of the Company circumventing internal controls with intent to defraud, misappropriate assets, or theft.

**External fraud:** Fraud committed by third parties, which include theft, financial fraud, and breaching system security, such as hacking, phishing, or acquiring unauthorised information in pursuit of illicit gain.

**Corruption:** Offering, giving, soliciting or accepting an inducement or reward, which may influence the action of any person, or dishonest or fraudulent conduct by those in positions of power or authority within the Company.

**Conflict of Interest:** A conflict of interest arises where individuals in the Company may be influenced in the conduct of their duties by considerations of gain or benefit for themselves, members of their family or their associates.

## 3. Governance Responsibilities

Member	Governance Role
The Board	<ul style="list-style-type: none"><li>Accountable for ensuring that an appropriate Internal Control Environment is in place to ensure compliance with this policy and to protect the business.</li></ul>
Chief Executive Officer	<ul style="list-style-type: none"><li>Accountable for promoting and embedding this Policy, associated values and delivering against business objectives.</li></ul>
Executive Team	<ul style="list-style-type: none"><li>Responsible for overseeing and ensuring that an appropriate Internal Control Environment is in place across all areas of the business.</li></ul>
Company Secretary	<ul style="list-style-type: none"><li>Responsible for maintaining a Conflict-of-Interest Register and reporting to Board where appropriate in accordance with the principles of transparency and good governance.</li></ul>

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Finance Lead	<ul style="list-style-type: none"><li>• Responsible for ensuring the development and maintenance of the Internal Control Environment in accordance with this Policy</li></ul>
Finance Lead	<ul style="list-style-type: none"><li>• Responsible for investigating alleged instances of fraud or corruption</li></ul>
Leadership Team and Heads of Service	<ul style="list-style-type: none"><li>• Responsible for maintaining the Internal Control Environment and ensuring their services and Colleagues operate in accordance with this Policy</li></ul>
Colleagues	<ul style="list-style-type: none"><li>• Responsible for ensuring that they are aware of their responsibilities under this Policy and maintain adherence to it</li></ul>

## 4. Policy Principles

- 4.1 The primary aims of this Policy are the prevention of fraud and corruption by maintaining a strong Internal Control Environment.
- 4.2 The Company adopts a zero tolerance to fraud and corruption. The Company encourages clients, colleagues, and its external contracted partners to report all instances of alleged fraud or corruption and to disclose all potential conflicts of interest forthrightly or as soon as they arise.
- 4.3 The Company will not tolerate any retaliation against anyone who speaks out and the identity of all whistle-blowers will be rigorously protected.

## 5. Policy Statement and Application

- 5.1 Suspected fraud reporting and investigation
  - 5.1.1 This Policy actively encourages clients, colleagues, and partners to raise concerns about any conduct that they believe is unethical, illegal, or not in line with company values, policies, procedures and standards, even if a concern is not substantiated, provided the concerns have been raised in good faith. In this respect, guidance for clients, partners and third parties will be provided on the Company website and Colleague Handbook.
  - 5.1.2 All instances of alleged fraud or corruption will be promptly investigated by the Finance Lead, and appropriate action will be taken to recover all losses.
  - 5.1.3 In the case of proven fraud or suspected fraud of a serious nature, the Company reserves the right to refer the matter to the Police and to take disciplinary action.
  - 5.1.4 The Chief Executive will determine whether to initiate disciplinary action on the advice of the police and legal advisors as appropriate in each case.
  - 5.1.5 The Finance Lead will ensure that any changes to this Policy are communicated on the Company website and to colleagues.
- 5.2 Internal Control Environment
  - 5.2.1 The Chief Executive has delegated responsibility for the Internal Control Environment to the Chief Finance and Operations Officer.
  - 5.2.2 The Finance Lead has been given responsibility for the on-going development and implementation of the Internal Control Environment, having specific, competent, and relevant experience of the business and sufficient knowledge of internal control and risk to undertake the role.

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- 5.2.3 The Executive and Leadership Teams will ensure that all new systems change include a formalised risk assessment that evaluates operational continuity and fraud risk. The risk assessments should identify practical ways to minimise the risk of fraud by eradicating possible fraud vectors during the design and planning stages.
- 5.3 Fraud Awareness
  - 5.3.1 The Executive and Leadership Teams must ensure that fraud risks are routinely identified as part of the on-going risk management process. Potential risks should be actively managed to ensure they remain within Andium Homes risk appetite and tolerances.
  - 5.3.2 The Executive and Leadership Teams should ensure that:
    - 5.3.2.1 A retrospective review of any identified fraud is completed to identify any control failures or vulnerabilities that may have enabled or assisted the fraud.
    - 5.3.2.2 Report the results of all reviews with the Executive Team and the Risk and Audit Committee.
    - 5.3.2.3 Incorporate “lessons learned” as part of an on-going training programme to ensure that all Andium Homes colleagues are fraud aware.
- 5.4 Prevention of conflicts of interests
  - 5.4.1 All colleagues will declare the following in advance, other than in the case of an emergency, where delaying the works is impractical:
    - 5.4.1.1 All transactions/disputes with contractors or service providers currently engaged by the Company with a value greater than £1,000 (other than standard commercial purchases such as utility costs, mobile phone costs and other ancillary transactions).
    - 5.4.1.2 Transactions over £10,000 with contractors or service providers not currently engaged by the Company. Declarations should be made for contractors and service providers who are not currently engaged with the Company but who offer goods or services that they could utilise (for example, a building contractor).
  - 5.4.2 Details of any interests/shareholdings in any company (or other type of organisation) that is connected, or that may be connected in the future, to the Company.
  - 5.4.3 All colleagues will declare any gifts or offers of gifts, gratuities or hospitality received over £50 per year for the same party. Declarations lower than the specified threshold can be made and recorded on the conflicts of interest register, however, this is not a mandatory requirement.
  - 5.4.4 All colleagues will declare any relevant personal or perceived relationships with company stakeholders as soon as they become aware of the need to do so.
  - 5.4.5 The following list contains examples of relevant relationships and business interests. However, as the definition of relevant relationships and business interests is subjective, colleagues are encouraged to use their judgement as to what could create, or be seen to create, a potential conflict of interest for them or for the company. If in doubt, colleagues are encouraged to seek

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advice from a line manager, Head of Service, Finance Lead, or the Company Secretary.

5.4.5.1 Close family members, partners, close friends and/or personal business connections with any contractor or service provider currently engaged by the Company.

5.4.5.2 Close family members, partners, close friends and/or personal business connections living in Company accommodation (or in the process of being allocated property held by the Company).

5.4.6 Colleagues are not required to declare an acquaintance, or any relationship developed through their professional duties, until such time that those relationships may be perceived to influence the colleague's decision making, whether positively or negatively.

5.4.7 All declarations will be recorded by colleagues in the 'People HR' system and reviewed by the Company Secretary and Finance Lead.

5.4.8 Where a declaration gives rise to concern about a potential conflict of interest, or is otherwise considered inappropriate, steps will be taken to mitigate the issue, either through instructions that gifts or hospitality must be refused or putting in place additional controls.

## 5.5 Safeguards

5.5.1 When a conflict of interest has been identified, the following safeguards may be put in place:

5.5.1.1 Removal of colleagues from the particular transaction or service. All transactions or services provided by the relevant relationship or business interest to the related colleague will be subject to review by an independent member of the Leadership Team.

5.5.1.2 Removal of the relevant relationship or business interest. All transactions or services provided by the relevant relationship or business interest with the related colleague should be subject to independent review by a member of the Leadership Team.

5.5.1.3 Independent review by a member of the Leadership Team to assess whether any breaches of the Anti-Fraud policy have occurred.

5.5.2 The agreed actions to resolve any potential conflict will be documented by the Company Secretary and signed by all colleagues involved.

5.5.3 To ensure appropriate segregation of duties, declarations made by the Company Secretary will be reviewed by the Finance Lead.

5.5.4 All references to colleagues in this policy include Executive and Non-Executive Board members.