



Allocation Policy



Allocation Policy



1. This policy will apply to the following entities:

Legal & General Affordable Homes Limited
 Legal & General Affordable Homes (AR) LLP
 Legal & General Affordable Homes (SO) LLP
 Legal & General Affordable Homes (Capital) Limited
 Legal & General Affordable Homes (Development 3) Limited
 Legal & General Affordable Homes (Investment 1) Limited
 Legal & General Affordable Homes (Investment 2) Limited
 Legal & General Affordable Homes (Investment 3) Limited
 Legal & General Affordable Homes (Development 4) Limited

For the purposes of this policy, any reference to Legal & General Affordable Homes (L&G) shall be relevant for all the businesses listed above and administered, if applicable, by its Management Providers.

2. Purpose

L&G is committed to providing good quality affordable properties that will assist Local Authorities in their statutory duties, delivery of their housing strategies and to increase the supply of properties to households who are priced out of other markets.

The purpose of this policy is to ensure L&G allocates its properties in a fair and equitable way, abiding by any development planning requirements whilst ensuring prompt letting of homes to minimise void periods.

L&G will encourage and promote social inclusion whilst creating sustainable communities and will promote choice for applicants by participating in local and regional choice-based lettings schemes.

3. Objectives

L&G's objectives in the allocation of its homes are to:

- Meet housing need and prevent homelessness by working in partnership with local authorities and other agencies
- Comply with current legislation and regulatory guidance
- Create stable tenancies and sustainable communities
- Make best use of stock in meeting the needs of potential and existing customers
- Minimise void periods
- Ensure that the selection of applicants and the allocation of homes is transparent, fair and accountable
- Offer choice to customers over where they live while giving preference to those in priority need
- Promote equal opportunities and value diversity

Rented Properties (the following sections only apply to L&G rented units)

1. Who we house

Our primary purpose as a Registered Provider is to provide accommodation for people in housing need who are unable to afford to buy or rent housing on the open market.

On the majority of our new build schemes, L&G will enter into Nomination Agreements with the Local Authority which dictates how we allocate and prioritise suitable applicants. This may include Local Lettings Plans where they are specific local requirements. Typically, this will require L&G to offer 100% of all new build homes to the

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Local Authority for them to provide suitable applicant(s) and will also include a quota for longer term relets on that scheme.

At this stage, it is expected that all applicants will meet the set eligibility criteria. All applications for housing will be considered carefully before an offer of accommodation is made and, in some cases, we may request additional information.

Where prospective customers require support to enable them to access or maintain a tenancy, L&G will take those needs into account and aim to provide the support required through our own services or through other agencies. Support needs will not be an obstacle to applicants providing that the necessary support can be provided.

2. Who we cannot house

By law, certain households (if they are not existing customers) are not eligible, including:

- Households subject to immigration control, including asylum seekers (although there are exceptions to this rule, each will be treated on its merit by the Local Authority responsible)
- Households who have come from abroad and do not qualify for public funds (e.g. welfare benefits).

Local Authorities also have powers to assess if an applicant as ineligible for social housing where their behaviour or previous tenancy history has been deemed unacceptable. Examples of such behaviour include but are not limited to:

- repeated or significant non-payment of rent
- eviction and certain breaches of tenancy conditions
- behaviour (either that of the applicant(s) or of someone living with or visiting them) that is likely to cause nuisance or annoyance to others
- using the home for immoral or illegal purposes
- a conviction for an offence committed in the property or local area – such as selling drugs from the property, causing damage to the property, or burglary from a neighbour's house
- a conviction or a caution for an offence which makes the person seem unsuitable to be a customer
- a conviction or a caution for an offence which deems the property being offered unsuitable
- serious neglect of the condition of the home
- getting a tenancy by providing false information or paying someone for it

An applicant who has behaved in such a way may be ineligible for allocation to an L&G property. Applicants have the right to request a review of any decision on eligibility and a right to be informed in writing of the decision on review and clear grounds for that decision.

3. Choice Based Lettings (CBL)

L&G will participate in local and regional choice-based lettings schemes to give applicants greater choice in meeting their housing needs, within the context of any Local Lettings Plans adopted. This will also include any specific planning requirements on eligible households which L&G will have to assess against, for example income thresholds, local connection and specific priority households.

Applicants are expected to actively look for and express their interest in advertised vacant properties that they want to live in. This expression of interest is known as a 'bid'. Bidding will occur for all vacant properties advertised through a CBL scheme. The rules for bidding will be those that are set by the local CBL scheme.

Where an applicant is put forward for accommodation through the CBL scheme their individual circumstances will be considered prior to allocation, which will require the applicant to complete an L&G application form and assessment process. This is to ensure the offer of accommodation is suitable for the applicants needs and to fully

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assess their current housing circumstance which may have changed since their initial registration with the Local Authority.

Generally, it is not the intention of L&G to hold a waiting list. The majority of properties will be let through Local Authority nominations and CBL schemes.

4. Direct Lets

There may be times when allocating through the Local Authority is not successful or appropriate, for example the CBL advert have been exhausted and there is no suitable applicant, or the Council confirms there is no one eligible on their housing register due to the characteristics of the property. In these circumstances, and with agreement of the Local Authority where this is required, L&G may progress with direct letting of homes and this may include instructing an external letting agency to seek out potential applicants to avoid long-term vacant units.

5. Housing Need and Priority

As demand for affordable housing to rent is greater than the number of properties available, L&G prioritises allocations of vacant properties to applicants in the greatest need. This system of prioritisation will be linked to Local Lettings plans where appropriate.

Generally, vacant housing will be offered to the top applicant identified through CBL at the time of the vacancy, whose housing needs and requirements best match the property type available. However, in certain circumstances this may not be the case, for example, where a property has been adapted and that adaptation may be more suitable to an applicant with fewer points, or if the lifestyle of the applicant with the highest number of points is considered to be unsuitable for that property.

Where an offer to the top applicant is not made, this will be recorded together with the reason for the decision.

Where an offer of housing has been made and accepted and it transpires that the applicant has given false information, we may commence legal action for repossession to end the tenancy.

6. Verification and Referencing

Applicants who have been nominated by the Local Authority will complete a housing application form and will be required to complete an ID verification check, provide proof of income and a landlord reference that allows L&G to confirm their satisfactory conduct of their previous tenancy.

L&G may use a third party to carry out these checks. Applicants will be fully informed of this process and will be asked to consent to information being shared or collected linked to their application. This will also include being clear on timescales for responses to ensure their application progressed effectively.

As part of L&G's income assessment, an affordability check will be carried out to ensure the customer is able to sustain rent payments and any offer of accommodation does not put undue financial pressure on the household. This process will follow L&G's Affordability Policy.

L&G understands that not all applicants will be able to provide a previous landlord reference due to their previous housing circumstance. In these examples, L&G may carry out additional checks to fully assess their suitability which may include speaking to other agencies supporting the customer or looking further back on their tenancy history.

References will not normally be accepted from friends or family members except where there has been no other housing history. Applicants will be asked to consent to information being shared with other housing providers and housing service providers.



7. Transfers

Existing L&G customers wishing to move to another L&G property are subject to the same needs criteria as other applicants. L&G will assist customers who wish to move home and require support in providing information to the relevant Local Authority. Where there is scope for L&G to facilitate a move, this will need approval by the Local Authority, in line with any Nomination Agreement terms.

This may include a management transfer for a serious housing related issue, where the customer is releasing a high demand home by moving out of the area, or where there is serious under occupation and L&G is able to make better use of its housing stock and release pressure from the Council's housing register.

8. Decants

For temporary decants, where L&G needs to complete essential works to the property which cannot be undertaken with the customer in occupation, it will facilitate a temporary move whilst works are complete. After this time, the customer is expected to return to their original permanent home.

Where extensive work is needed and requires the customer to be permanently rehoused, L&G will initially assess availability of its own stock to help facilitate a prompt move. This will be classed as a management transfer for a serious housing related issue as detailed above.

Where this is required, L&G will still require Local Authority approval before offering a permanent move as this may affect any agreed allocation quotas. L&G will always seek to offer accommodation to the customer in an area of choice, suitable for the households needs, and which causes minimal disruption or financial impact. These may not always be possible due to lack of supply, but any rehousing option will be discussed in detail with the customer. Further details on the management of decanting a customer is contained within L&G's Decant Policy.

9. Mutual Exchange

L&G will subscribe to a national online mutual exchange services which will provide customers with free access to enable them to seek a mutual exchange with another social housing customer.

10. Number of Offers

L&G will not normally restrict the number of offers made. However, where an offer is unreasonably refused by the applicant, further offers of the same type of property in the same area may not be made. Local Authorities may place additional restrictions of the number of offers to applicants, especially those where they have a statutory duty to house where they may only be given one offer of accommodation. L&G will provide feedback to the Local Authority on any offer refusal which may result in further sanctions placed on the applicant, in line with their own Allocation Policy. It is the responsibility of the Local Authority to ensure each applicant is aware of any offer restrictions placed upon them.

Customers requiring a management transfer will normally receive two reasonable offers of accommodation from L&G where it has the local housing supply to facilitate this. If all suitable offers are rejected, then L&G will assess the circumstances of the case which may result in any further offer being revoked. This will be determined alongside reviewing the impact and risk to the customer, and possibly taking legal action where there is an imminent risk to the customers safety and that of the local neighbourhood and where prompt action is needed to prevent/minimise this risk.

A reasonable offer should meet the essential needs of the household e.g. property size or level of accommodation.



11. Under Occupation Incentive

L&G recognises that for a variety of reasons, customers may wish to downsize. Where a customer is under occupying the property by two or more bedrooms, an incentive will be offered to make the transition smooth. Downsizing requests will not be approved where the move to a smaller property would result in statutory overcrowding.

12. Specifically Adapted Homes

These properties are usually purpose built or specially adapted for use by disabled people. L&G will work closely with Local Authorities during the allocation process to ensure adapted homes are fully utilised by applicants who require them. This may result in beginning the letting process earlier for new build homes, or a prolonged relet period whilst further assessments and reviews take place.

Where adapted homes are vacant for over 3 months, or where the Local Authority has made it clear that there are no suitable applicants who can utilise the adaptations, L&G will still endeavour to let these homes to people who require the relevant adaptation installed. This may involve referrals to a specialist lettings provider who can directly let to ensure that the adaptations are utilised.

After exhausting this option, L&G may choose to make these properties available for general purpose lets subject to overarching provisions in any S106 or nomination agreement.

13. Pets

Except in the case of assistance dogs, applicants who own a dog will only be considered for properties that have their own ground level private entrance. Applicants for properties with a communal entrance should seek the written permission from L&G before an offer of accommodation is made. After this time, L&G will assess any pet requests against its Pet Policy.

14. Registered Sex Offenders

Registered sex offenders are required to inform L&G when they apply for housing that they are a registered sex offender as it is a criminal offence under the Sexual Offences Act 2003 for offenders to withhold this information. The risk posed by Sex Offenders cannot be assessed by L&G who will be guided on this by agencies charged with the management and monitoring of sex offenders including the police and social workers.

15. Appeal against ineligibility

If an applicant is unhappy with the decision not to grant a tenancy, their complaint will be dealt with in line with L&G's Complaints Policy

16. Onboarding Process

All new customers will be provided with a copy of

- Their tenancy agreement
- Their support agreement (if relevant)
- Home User Guide
- Relevant fire safety information
- Copy of the property's gas and electrical safety certificate
- EPC certification
- Any relevant warranty period for fixtures.
- Contact details for L&G's management provider relevant to the property



17. Tenure

For new customers, L&G's standard form of tenancy will offer a 5 year (and in some circumstances a 2 year) fixed-term tenancy. This may include a 12-month introductory period. Further information of the type of tenancies offered by L&G can be found within its Tenancy Policy.

18. Joint Tenancies

L&G will grant joint-named tenancies on all occasions when individuals seek housing as a couple. The exception to this is if any one of the joint tenants are ineligible for accommodation in which case a joint tenancy will not be granted.

Any further joint tenant requests during the duration of the tenancy, will be assessed against L&G's Tenancy Policy but in most cases will only be considered at the tenancy renewal stage.

Shared Ownership (the following only relates to allocation of shared ownership properties)

1. Shared ownership accommodation

Shared Ownership offers households the opportunity to buy a share of a property whilst paying rent on the part they do not own. Initial shares sold will be between 10% and 75% of the value of the home. If the lease allows it, households can usually choose to buy larger shares until they own the property outright.

L&G will enter into nominations agreements with Local Authorities where required, but in usual circumstances, it will advertise homes in accordance with Homes England/GLA Capital Funding Guide which requires registration of available homes through the local Help to Buy scheme.

This policy will ensure that:

- Shared ownership properties developed for sale or offered for resale by L&G will be made available to people who are eligible and cannot afford to buy a home suitable for their needs on the open market
- Our shared ownership homes are offered to applicants in a fair and transparent manner
- L&G complies with financial and regulatory controls relating to the allocation and sale of shared ownership properties
- Homes are available on a first come, first served basis to applicants, providing they meet the relevant eligibility and affordability criteria. This means that once an applicant has submitted an application, passed the financial assessment and reserved the property then we will not accept any further enquiries for that specific property. If an applicant requires additional time to complete their application due to a specific disability and/or vulnerability, then this will be considered as part of the application process.

To be eligible for a shared ownership property, applicants must:

- Have a household income of less than £80,000 (or £90,000 in London) and be otherwise unable to purchase a property suitable to meet their housing needs on the open market
- Be able to fund the deposit and other purchase costs through savings or other funds
- Not own or have an interest in another property (although households may apply while they are selling or discharging interest in another property, including a shared ownership property)
- Continue to meet the eligibility criteria throughout the application process. Should circumstances change (for example a change of jobs or adding an additional applicant) then a re-assessment will need to be completed.

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Households wishing to apply for a property will need to submit an application and complete an assessment on affordability by a mortgage broker. If approved, the application will then progress through the conveyancing process. In addition, applicants' immigration status will be reviewed to demonstrate that they can afford and sustain home ownership in the longer term. This does not necessarily mean that those subject to immigration control will not be eligible. This will be assessed based on the individual circumstance of each application, and we will require evidence to confirm that they are able to sustain regular payments towards rent and service charge owed, and their ability to qualify for mortgage lending, if applicable.

If a joint application is made both applicants must become joint owners i.e. be named on the lease and on any mortgage on the property

There is no restriction on the number of applications a household can make for an L&G property.

2. Shared Ownership Affordability

We will assess whether applicants are able to afford the mortgage, rent and other costs of being a homeowner without hardship in line with L&G's Shared Ownership Affordability Policy. We will also carry out credit checks, anti-money laundering and politically exposed person checks on all applicants. This will form part of the overall process before a property can be reserved.

3. Shared Ownership Prioritisation

Allocations will be managed in line with the S106 agreement relevant to the individual property or other agreement with the Local Authority. This may specify that applicants must have a connection to the local area or that priority must be given to such households. We will advise households of any criteria that restrict allocations or determine prioritisation of applications when we advertise properties and when we process applications.

After applying local planning requirements, we will give priority to armed forces personnel who are currently serving or who have left service in the two years prior to their application. This is in line with government guidelines on allocation of granted funded shared ownership properties.

Where there are no restrictions imposed by planning or funding conditions, we will prioritise completed applications from non-armed forces personnel in the order in which we receive them.

We will not accept further applications for a property after it has been reserved.

4. Shared Ownership Fees

When applicants have been offered a new build property and wish to proceed, we will ask for a reservation fee of £500. This will be deducted from the purchase price when the sale completes.

5. Timescales

For sales of new build properties, we normally expect exchange of contracts within six weeks of receiving a reservation fee unless other timescales are specified. Completion should take place two weeks afterwards, subject to the completion date of the development. We may withdraw an offer of sale if these timescales are unreasonably delayed by the purchaser.

For resale homes, the timescales will be agreed between purchaser and seller.

6. Shared Ownership Leases

Wherever possible all shared owners will be issued with a standard shared ownership lease with an initial term of 250 years for apartments and 990 years for houses. A lease will be issued whether the leaseholder has purchased a flat or a house.



General Items (covers all tenure types)

1. Confidentiality

The privacy of applicants will be respected, and care will be taken to maintain confidentiality in line with confidentiality and data protection laws. However, responsible information sharing can play a key role in the letting of our homes. Information sharing protocols with Local Authorities and partners will be followed where they are in place.

Relevant information from landlords, doctors, etc. may need to be obtained and applicants are required to sign a declaration giving permission for this to be done.

2. Sales and lettings to staff, board members or their relatives

Where a member of L&G staff, Board, or their close relative(s), applies for accommodation, Board approval must be given before an allocation, or sale can be made. A report will be made to the Board for decision. This also applies to any other member of the L&G group of companies.

3. Appeals and complaints

Any applicant or leaseholder who feels that they have not been treated in accordance with this policy can appeal using the Complaints procedure.

4. Policy review

The Board will review this policy every two years and take into account any changes in legislation between review dates should this policy require review before the next renewal date.

Accountable Director	Director of Customer, Property and Platform
Approval Date	December 2023
Reviewed Date	July 2024
Next Review Date	July 2026 (or more frequently subject to any changes in regulatory, legislative and/or areas of best practice where a review is required sooner than the planned review date)