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 (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

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

At L&G we provide good quality, affordable homes and work in partnership with local authorities to help meet housing need. We aim to let homes as quickly as possible while making sure they are suitable for the households moving in. We are committed to supporting inclusive and sustainable communities and, wherever possible, giving you choice about where you live.

This policy explains how we:

- Allocate our homes fairly and consistently
- Meet legal and regulatory requirements
- Work with local authorities and partners
- Make the best use of our available homes

3. Objectives

L&G's objectives when allocating our homes are to:

- Meet housing need and prevent homelessness by working in partnership with local authorities and other agencies
- Comply with all relevant legislation and regulatory standards
- Promote stable tenancies and sustainable communities
- Make best use of available homes
- Minimise the time homes are empty
- Make decisions that are fair, transparent and consistent
- Offer choice where this is possible
- Promote equality and respect diversity

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

4. Who we house

Our main purpose is to provide homes for people in housing need and who cannot afford to buy or rent on the open market.

Most of our homes are allocated through agreements with local authorities (known as nomination agreements). This means the local authority will put forward suitable applicants for our homes.

In some cases, we may also apply local lettings plans, which set out additional priorities for a specific area or development.

If you are nominated or apply for one of our homes:

- We will assess your application before making an offer
- We may ask for further information where needed

If you have support needs, we will take these into account. We will not exclude you because of these needs, provided appropriate support is in place or can be arranged.

5. Minors (16 and 17 year olds)

In exceptional circumstances, we may offer accommodation to applicants aged 16 or 17.

In these cases:

- You must have a guarantor or trustee
- The guarantor or trustee must hold responsibility for the tenancy until you turn 18

We will work with the local authority to assess whether your tenancy is suitable and sustainable.

6. Who we cannot house

By law, some households are not eligible for social housing. These may include:

- Households subject to immigration control (with some exceptions)
- Households who have come from abroad and do not qualify for public funds (such as welfare benefits)

Local authorities also have powers to decide that an applicant is not eligible due to their behaviour or previous tenancy history. This is sometimes referred to as unacceptable behaviour. Examples may include:

- Repeated or significant non-payment of rent
- Eviction and 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
- Criminal activity linked to a property or local area
- 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

- Damage or neglect of a property
- Providing false information to obtain housing or paying someone for it

If we decide that you are not eligible, we will write to you explaining the reason and you have a right to request a review of the decision.

7. Choice Based Lettings (CBL)

We take part in local and regional Choice-Based Lettings (CBL) schemes to give you greater choice in finding a home that meets your needs, in line with any local lettings plans that may apply. Some homes may also have specific eligibility criteria, such as income limits, local connection requirements, or priority for certain groups. We will assess applicants against these requirements where they apply.

Through a CBL scheme, you can search for available homes and express your interest in properties you would like to live in. This is known as placing a ‘bid’. All homes advertised through a CBL scheme are let in this way. The local authority sets the rules for how the scheme operates.

In some areas, local authorities use a housing register instead of a CBL scheme. In these cases, the local authority will match suitable applicants directly to available homes.

If you are shortlisted for a property, you will be asked to complete an application form and you may need to provide supporting information. This helps us make sure the home is suitable for your needs and to understand your current housing circumstances.

We do not operate our own waiting list as most homes are allocated through local authority nominations.

8. Direct Lets

In some cases, a property may not be successfully let through the local authority process. Where this happens, and where permitted:

- We may offer the property directly to a suitable applicant
- We may use an external agent to find a suitable applicant

We will always agree this approach with the local authority, where required.

9. Housing Need and Priority

There are more people seeking affordable homes than there are homes available. Because of this, we prioritise homes for those with the greatest housing need. Where appropriate, this will take into account any local lettings plans.

In most cases, homes are offered to the applicant identified through the CBL system who best matches the property and has the highest priority.

In some situations, the highest priority applicant may not be the most suitable match. This might be because:

- The property has been adapted and is better suited to someone with specific needs
- The property would not be suitable based on the applicant's circumstances

Where this happens, we will record the reasons for our decision.

If an offer of a home is accepted and we later find that false information was provided as part of the application, we may take legal action to end the tenancy.

10. Bedroom Entitlement

To support the fair use of available homes, we assess the size of home you need based on your household.

- One bedroom for an adult couple
- One bedroom for any other adult aged 16 or over
- One bedroom for two children under 16 of the same sex
- One bedroom for two children under 10 (regardless of sex)
- One bedroom for any other child, where that child's main residence is within the household

Expectant households will be assessed with regard to anticipated household composition. Where a household member is pregnant, an additional bedroom may be considered where it is reasonable and proportionate to the expected birth, supporting stability at the start of a tenancy.

11. Verification and Referencing

If you are nominated by the local authority, you will need to complete a housing application form. As part of this process you will be asked to:

- Complete an ID verification check (this will include one form of photo ID)
- Provide proof of income
- Provide a landlord reference so we can confirm your previous tenancy history

We may use a third party to carry out these checks. If we do, we will tell you and ask for your consent before any information is shared or collected. We will also be clear about timescales so you know what to expect.

As part of your application, we will carry out an affordability assessment to make sure the home is affordable and that it will not put undue financial pressure on your household. This will be done in line with our Affordability Policy.

If you are unable to provide a landlord reference, we may carry out other checks, such as contacting support services or reviewing your previous housing history.

References from friends or family members will not usually be accepted, unless you have no previous housing history. As part of the application process, you will also be asked to agree to us sharing information with other housing or support providers, where appropriate.

12. Transfers

If you are an existing customer and wish to move, you will usually be assessed in the same way as other applicants. We may consider a move where:

- There is a serious housing-related issue
- You are under-occupying your home
- The move would free up a high-demand property

Any move may require approval from the local authority.

13. Decants

A decant means the temporary or permanent re-housing of you and your household to alternative accommodation where it is necessary to carry out major works to your home that we are not able to carry out with you in occupation.

If we provide temporary accommodation, this is usually:

- For a set period of time, whilst works are being completed
- We expect you to return to your home one completion of works are confirmed

If permanent rehousing is required:

- We will aim to offer suitable alternative accommodation in areas of your choice, however this may not always be possible due to lack of availability
- We will discuss options with you
- We will always aim to minimise disruption and financial impact. Further details can be found in our Decant Policy

Where a permanent move has been agreed, we will still require local authority approval before offering a permanent move as this may affect any agreed allocation quotas.

14. Mutual Exchange

We provide access to a national mutual exchange service which allows our customers free access to seek a mutual exchange with another social housing customer. Your Management Provider can provide more details on how to access this service.

15. Number of Offers

We do not usually limit the number of offers you can receive. However, if you refuse an offer without a good reason, we may not make further offers of a similar type of home in the same area.

Your local authority may also limit the number of offers you can receive. This is especially the case if they have a legal duty to house you. In some situations, you may only receive one offer of accommodation.

If you refuse an offer, this will be shared with your local authority. They may take further action in line with their own Allocation Policy. Your local authority is responsible for making sure you understand any rules or restrictions that apply to you.

A management transfer is a discretionary move that we may authorise to rehouse you outside the normal allocations process where exceptional housing management, safeguarding, or community safety concerns make it unreasonable for you to remain in your current home.

If you are approved for a management transfer, you will usually receive up to two suitable offers of alternative accommodation, where homes are available in your local area.

If you refuse all suitable offers, we will review your circumstances. After this review, we may decide not to make any further offers.

As part of this review, we will consider your individual situation, including any risks to your safety or the safety of others. If there is an immediate or serious risk, we may need to take urgent action, including legal steps, to help reduce the risk of harm.

A reasonable (or suitable) offer is a home that meets the essential needs of your household, such as:

- The right size for your household
- The level or type of accommodation needed (for example, ground floor if required)

16. Under-Occupation Incentive

If you are living in a home that is larger than you need and would like to move to a smaller property, we may be able to offer support or incentives to help you move. This could include practical help or financial support, depending on your circumstances. We will not approve a move if it would result in your new home being overcrowded.

Your Management Provider can provide further information about the support and incentives available, discuss other housing options with you, and explain the next steps in the process.

17. Specifically Adapted Homes

Some of our homes are specially built or adapted to support people with disabilities.

We work closely with local authorities during the allocation process to make sure these homes are offered to people who need the adaptations. This means:

- We may start letting new homes earlier than usual, or
- It may take longer to relet a home while assessments and reviews are completed

If an adapted home has been empty for more than three months, or if the local authority confirms there are no suitable applicants who need the adaptations, we will still try to find someone who can benefit from the adaptations.

In some cases, we may work with a specialist lettings provider to help match the home with someone who needs those features.

If all options have been explored and we cannot find a suitable applicant, we may offer the home for general letting. This will always be in line with any legal agreements (such as planning or nomination agreements) that apply to the property.

18. Pets

You must tell us about any pets when you apply. We will assess requests in line with our Pet Policy, and permission must be obtained before moving in with pets.

19. Registered Sex Offenders

If you are required by law to register as a sex offender, it is important that you tell us when applying for housing and keep this information up to date. People who are subject to these requirements must provide certain personal details to the police under the Sexual Offences Act 2003. These arrangements help agencies assess and manage any risks to the public.

We do not carry out risk assessments of individuals ourselves. Instead, we work with relevant agencies such as the police, probation services, and local authorities through Multi-Agency Public Protection Arrangements (MAPPA). These agencies are responsible for assessing and managing risk.

We will use any information shared with us to make informed decisions about housing, with a focus on:

- The safety of individuals and the wider community
- The needs of the applicant
- Ensuring appropriate and sustainable housing solutions

20. Appeal against ineligibility

If you disagree with a decision to reject your application, you can request a review. Appeals will be reviewed by L&G's Management Provider and you will be informed of the decision.

Any further escalation of the appeal or if you wish to appeal on any other aspect of the allocations process, you can raise a complaint through L&G's Complaints Policy.

21. Onboarding Process

Once your application has been accepted and you have been offered a home, you must make your first rent payment even if a Universal Credit or Housing Benefit claim is to be submitted. This is called the Rent in Advance Payment)

We will provide you with

- Your tenancy agreement
- A Home User Guide (where relevant)
- 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 your home

22. Tenure

Our standard form of tenancy for new customers is an Assured Tenancy. Further information of the type of tenancies offered by L&G can be found within our Tenancy Policy.

23. Joint Tenancies

We will usually offer a joint tenancy where you apply for housing as a couple. Before agreeing to a joint tenancy, we will consider your individual circumstances. This may include affordability, tenancy history and whether a joint tenancy is appropriate for your situation.

We cannot grant a joint tenancy if any applicant is not eligible for housing. In these cases, the tenancy may be offered to the eligible applicant only.

A joint tenancy means that both tenants:

- Have equal rights to live in the property
- Are jointly responsible for the tenancy
- Are each responsible for paying the full rent and meeting the terms of the tenancy agreement

If you would like to add or remove a joint tenant during your tenancy, we will assess your request in line with our Tenancy Policy.

24. Monitoring and Review

We work closely with local authorities on understanding how we allocate homes and this may include reviewing any agreements in place. We also monitor the performance and approach of our Management Providers through performance reporting and customer feedback on our customers' onboarding experience. This is reviewed monthly by the L&G Customer & Property Team and quarterly by our Boards.

<u>Shared Ownership (the following only relates to allocation of shared ownership properties)</u>

25. Shared ownership accommodation

Shared Ownership allows you to buy a share of your home whilst paying rent on the part that you do not own. Initial shares sold will be between 10% and 75% of the value of the home, subject to your lease. Similarly, depending on your lease, you may be able to buy larger shares over time until you own your home outright.

Details of the lease for each home are available within the marketing information on our website. In addition, before you make a reservation, we will provide you with a Key Information Document confirming the applicable lease and any relevant terms and conditions.

We will enter into nominations agreements with Local Authorities where required, but in usual circumstances, we will advertise homes in accordance with Home England/GLA Capital Funding Guide.

This policy will ensure that:

- Shared ownership homes developed for sale or offered for resale by L&G are available to people who are eligible and cannot afford to buy a home suitable for their needs on the open market
- You are offered homes through a fair and transparent process
- We comply with all financial and regulatory requirements when allocating and selling shared ownership homes
- Homes are offered on a first come, first served basis, provided you meet the relevant eligibility and affordability criteria. This means that once you have submitted your application, passed the financial assessment and reserved a home, then we will not accept any further enquiries for that specific home. If you need extra time to complete your application due to a disability or vulnerability, we will take this into account as part of the process

To be eligible for a shared ownership property, you 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 your 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 you 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 your circumstances change (for example a change of jobs or adding an additional applicant) then a re-assessment will need to be completed

If you do decide to apply for a property, you will need to:

- Submit an application and complete an assessment on affordability via a mortgage broker
- If at this stage you are approved, your application will then progress through the conveyancing process

- You and any joint purchaser will need to complete an immigration status check to confirm residency and eligibility for Shared Ownership. This does not automatically mean you are ineligible if you are subject to immigration control, although further checks may be required
- We will assess each application based on the individual circumstances and we will require evidence to demonstrate your ability to sustain regular rent and service charge payments, as well as your ability to obtain mortgage lending, where applicable

If you are applying jointly, both applicants must 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.

26. Shared Ownership Affordability

We will assess whether you can 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.

27. Shared Ownership Prioritisation

Some homes may have specific allocation criteria based on planning agreements, such as Section 106 agreement (S106), or local authority nomination agreements. A S106 agreement is a legal agreement with the local council that helps ensure some homes in a new development are provided as affordable housing for local people. This may mean that you need a connection to the local area or that priority must be given to such households.

We will advise you of any criteria that restrict allocations or determine prioritisation of applications when we advertise properties and when we process applications.

After applying any 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, in-line with government guidance.

Where there are no restrictions imposed by planning or funding conditions, we will prioritise completed applications from non-armed forces personnel on a first come, first basis, in line with the Homes England guidance. Priority will be given to the applicant who first passes the eligibility and affordability assessments, and submits all documentation necessary for the sale to proceed.

Once a property has been reserved, we will not accept further applications for that home.

28. Shared Ownership Fees

If you are offered a new build property and wish to proceed, you will need to pay a £500 reservation fee. This will be deducted from the purchase price when your sale completes.

29. Timescales

For newbuild homes, you are usually expected to exchange contracts within six weeks of paying your reservation fee (unless stated otherwise). Completion typically takes place two weeks afterwards, subject to the completion date of the home.

We may withdraw an offer of sale if there are unreasonable delays caused by you.

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

30. Shared Ownership Leases

In most cases, you will receive a standard shared ownership lease with an initial term of 990 years. The exact lease length may vary between developments. Whether you buy a flat or a house, a lease agreement will be provided.

General Items (covers all tenure types)

31. 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.

32. 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, L&G's 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.

33. Appeals and complaints

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

34. 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 2026
Next Review Date	July 2028 (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)