

## Storm Housing Group Limited (Storm) – Allocations and Lettings Policy

### Policy Control Sheet:

<b>Policy Name</b>	Allocations & Lettings Policy
<b>Policy Number</b>	7.2b
<b>Related Policies &amp; Procedures</b>	Allocations & Lettings Procedure Appeals Procedure Complaints Policy and Procedure Data Protection Policy and Procedure Tenancy Policy and Procedures
<b>Author</b>	Josh Roden
<b>Executive Summary</b>	<p>The allocations and lettings policy is used for managing applications for affordable home ownership and rental properties. It sets out:</p> <ul style="list-style-type: none"> <li>• The aims of our approach to allocations</li> <li>• Who we will and will not house</li> <li>• Routes by which people can apply for a home</li> <li>• Routes by which existing tenants can move to a new affordable home</li> <li>• How tenancies and leases will be granted and managed</li> <li>• Details of decision makers and how to challenge decisions.</li> </ul>
<b>Legal, regulatory &amp; compliance matters</b>	Capital Funding Guide Tenancy Standard Housing Act 1985 Continuous Recording of Lettings and Sales in Social Housing in England
<b>Definitions</b>	n/a
<b>Risk summary</b>	Noncompliance with regulatory standards Reputational Risk
<b>Approving body</b>	Storm Housing Group Board
<b>Approval date</b>	June 2024
<b>Review cycle</b>	This policy will be reviewed annually.
<b>Review date</b>	June 2025

1. Storm is committed to providing a range of quality homes that will meet local housing requirements that are allocated and let in a fair and transparent way that takes account the needs of our resident. Storm are also committed to assisting local authorities in the delivery of their housing strategies. In doing this Storm will:
  - 1.1. Promote and enable choice of accommodation for those people whose housing options are restricted by virtue of their income in relation to local house prices
  - 1.2. Encourage and promote social inclusion whilst creating sustainable communities
  - 1.3. Ensure that access to housing is on a fair, transparent and equitable basis while ensuring that allocations optimise the best use of Storm's assets

- 1.4. Let properties in accordance with legal and regulatory requirements and with the intention of incurring minimal loss of rent and service charge income
- 1.5. Comply with financial and regulatory controls relating to the allocation and sale of affordable housing properties.
- 1.6. Ensure lettings are compatible with the purpose of the housing, the needs of individual households, the sustainability of the community, and the efficient use of housing stock.
- 1.7. Record all lettings and sales as required by the Continuous Recording of Lettings (CORE) system
- 1.8. Support residents to maintain their tenancy or license.

## **2. Affordable and Intermediate Rented Homes**

- 2.1. Affordable and Intermediate Rented housing offers households in the greatest need of accommodation access to secure, affordable and well managed homes.
- 2.2. The approaches to allocations set out in this policy will help Storm to:
  - a) Build and sustain diverse and balanced communities
  - b) Maximise opportunities for mobility among tenants of social housing
  - c) Minimise the cost of homelessness to local authorities and to council taxpayers
  - d) Make efficient use of housing resources, including incurring minimal rent loss
  - e) Ensure that access to housing is on a fair and equitable basis
  - f) Let properties in accordance with legal and regulatory requirements
  - g) Let properties in accordance with relevant nominations agreements.

## **3. Who we house**

- 3.1. 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. It is expected that all applicants will meet the eligibility criteria, which will normally be set by the relevant local authority. All applications for housing will be considered carefully before an offer of accommodation is made and in some cases we may request additional information.
- 3.2. Where prospective tenants require support to enable them to access or maintain a tenancy Storm 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 a bar to applicants providing that the necessary support can be provided.

## **4. Who we cannot house**

- 4.1. By law, certain households (provided that they are not existing tenants) are not eligible, including:
  - a) 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)
  - b) households who have come from abroad and do not qualify for public funds (e.g. social security benefits).
- 4.2. Local Authorities also have powers to treat as ineligible any applicant who has behaved badly enough to make them unsuitable to be a tenant. This may have happened in an existing or a previous tenancy. Examples of such behaviour include:
  - a) repeated or significant non-payment of rent
  - b) certain breaches of tenancy conditions

- c) 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
- d) using the home for immoral or illegal purposes
- e) committing an arrestable offence in or near the home
- f) serious neglect of the condition of the home
- g) getting a tenancy by providing false information or paying someone for it

4.3. An applicant who has behaved in such a way may be ineligible for allocation to a Storm 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.

## **5. Choice Based Lettings**

- 5.1. Where planning obligations require specific approaches to allocations for particular schemes, local lettings policies will be adopted to implement these requirements.
- 5.2. We 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.
- 5.3. 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 choice based lettings scheme. The rules for bidding will be those that are set by the local choice based lettings scheme.
- 5.4. Storm, working with the Local Authority and other partner agencies, will assist applicants to express interest where they:
  - a) Do not have access to the internet
  - b) Have a disability or health condition that would prevent them from accessing the web site
  - c) Are absent due to illness
  - d) Require additional assistance including support needs, those who do not speak English as a first language and others who have difficulties with written English.
- 5.5. Where an applicant is put forward for accommodation through the choice based letting scheme their individual circumstances will be considered prior to allocation in every case using the information provided by the applicant on their application form and any information provided subsequently.

## **6. Waiting list**

- 6.1. Generally, it is not the intention of Storm to hold a waiting list.
- 6.2. Storm will often adopt a 100% nominations agreement with relevant local authorities for its social and affordable rented properties. This means that all lettings will be made to people on the local authority housing register who bid through the choice based lettings scheme or who are directly nominated by the Council. Lettings will occasionally be made outside of this agreement, for example where Storm allows a discretionary succession to a tenancy.
- 6.3. In instances where allocation through a formal nominations agreement is not taking place then approved local referral agencies will be used. These will be reputable registered providers or housing managers whom the board have approved Storm to partner with in this regard.

## **7. Housing need and priority**

- 7.1. As demand for affordable housing to rent is greater than the number of properties available, Storm prioritises allocations of vacant properties to applicants in the greatest need. This system of prioritisation will be facilitated by our participation in nominations agreements and choice based lettings schemes, and will be linked to Local Lettings plans where appropriate.
- 7.2. Generally, vacant housing will be offered to the top applicant identified through choice based lettings 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.
- 7.3. Where an offer to the top applicant is not made, this will be recorded together with the reason for the decision.
- 7.4. 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.

## **8. References**

- 8.1. Potential tenants nominated through choice based lettings schemes will need to provide two satisfactory references that demonstrate their ability to pay their rent and, where appropriate, how well they have conducted any previous tenancy held by them. One of the references must be from a current landlord. Where there is no current landlord, the reference must be from a former landlord.
- 8.2. A limited number of applicants (including homeless persons) may not have to provide references. 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.

## **9. Identification and reference verification**

- 9.1. Before an offer of accommodation is made, Storm will need to be satisfied that information provided by the applicant at registration accurately reflects their housing circumstances. In most cases, this second verification process will be carried out shortly before an offer of accommodation is made.
- 9.2. Prospective tenants will also be subject to Know Your Customer checks, in order that we can meet our obligations under the Money Laundering Regulations.

## **10. Transfers**

- 10.1. Existing Storm tenants wishing to move to another Storm property are subject to the same needs criteria as other applicants. However, where they live in a home that is in high demand, or they are seriously under occupying a property and are prepared to move to properties in lesser demand or of a more appropriate size, then they may be given additional priority.
- 10.2. Storm will provide customers wishing to move with access to clear and relevant advice about their housing options.

- 10.3. We will monitor and address under-occupation and overcrowding in our homes. Solutions will be focused on the needs of the customers, and Storm will offer choices accordingly.

## **11. Decants**

- 11.1. Where existing Storm residents are required to move because essential works are to be carried out that cannot be undertaken with the residents in occupation, an offer of accommodation within permanent stock, in an area of choice for the tenant, will be provided where possible. However this may not always be possible due to lack of supply.

## **12. Mutual exchange**

- 12.1. Storm subscribes to online services which will enable its tenants to seek a mutual exchange with another social housing tenant, allowing:
- a) a customer to register an interest in arranging a mutual exchange through the mutual exchange service without payment of a fee
  - b) the customer to enter their current property details and the tenant's requirements for the mutual exchange property they hope to obtain
  - c) the customer to be provided with the property details of those properties where a match occurs
- 12.2. Storm will ensure the provider of the internet based mutual exchange service to which we subscribe is a signatory to an agreement, under which tenants can access matches across all (or the greatest practicable number of) internet based mutual exchange services.
- 12.3. We will take reasonable steps to publicise the availability of any mutual exchange service(s) to which we subscribe to our customers.

## **13. Number of offers**

- 13.1. Storm 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.
- 13.2. Tenants transferring and those being decanted will normally receive two reasonable offers of accommodation. For transfers, if offers are rejected tenants will be removed from the list and can only re-apply 12 months later unless there is a substantial change of circumstances. In the case of decants, Storm would consider its legal position with regards to gaining possession.
- 13.3. A reasonable offer should meet the essential needs of the household e.g. in terms of size or level of accommodation. Storm will note preferences for area and attempt to take this into account when offering property, but this may not always be possible.

## **14. Trade down incentives**

- 14.1. Storm recognises that for a variety of reasons, tenants may wish to "downsize". Where tenants express interest in moving to a smaller property, incentives 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<sup>1</sup>.

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<sup>1</sup> ss 324-326 Housing Act 1985

## **15. Homes for people with a disability**

- 15.1. These properties are usually purpose built or specially adapted for use by disabled people. When these properties become vacant, they are reserved for households needing the specialised facilities offered by the property, regardless of the priority of other applicants. However, where there is little interest, Storm may choose to make these properties available for general purpose lets.

## **16. Pets**

- 16.1. Except in the case of assistance dogs, pets will be permitted only in Storm properties where our own interest in the property does not require us to restrict this.

## **17. Registered sex offenders**

- 17.1. Registered sex offenders are required to inform Storm 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 Storm who will be guided on this by agencies charged with the management and monitoring of sex offenders including the police and social workers.

## **18. When we may not offer accommodation**

- 18.1. There are a small number of people that Storm will not allow to live in our homes. This helps Storm to provide a better quality of life for all of its customers and the wider community.
- 18.2. Storm may not re-house people in the following circumstances, if the applicant, the applicant's spouse, partner or someone who lives with the applicant:
- a) has been evicted from a social letting in the past
  - b) owe Storm or another Registered Provider money and has not made and kept to an agreement to pay this debt
  - c) have been subject to an Anti-Social Behaviour Order or ASB injunction
  - d) pose a threat to the community
  - e) has previously failed to maintain a probationary tenancy
  - f) has given false information on the application form or during an interview to obtain one of our homes
  - g) has been evicted from interim housing and has made themselves homeless
  - h) has sensory or physical impairments and need help from external agencies to help them sustain a tenancy but have refused such help
  - i) has serious mental health problems that result in them being unable to sustain a tenancy even with assistance from specialist support agencies.

## **19. Appeal against ineligibility**

- 19.1. If an applicant is unhappy with the decision not to grant a tenancy, their complaint will be dealt with in line with the Complaints Policy and Procedure.

## **20. Lettings**

- 20.1. All new tenants will be provided with a copy of:
- a) The tenancy agreement



- b) The support agreement (if relevant)
- c) The tenant handbook
- d) Relevant fire and gas safety information
- e) Information on how to claim Universal Credit, if applicable
- f) Contact details for Storm Housing Group and/or our managing agent.

## **21. Tenure**

- 21.1. All new customers who have not held a social housing general needs tenancy directly before signing a tenancy agreement with us will have a probationary period (unless the property is being offered on an intermediate rent basis. Where there is a serious or persistent breach of tenancy in the starter/probationary period we may either extend the starter/probationary period or end the tenancy.
- 21.2. Starter tenancies will be offered to all new tenants on affordable rented properties as defined by the Rent Standard. This will be a 12 month Assured Shorthold Tenancy which will be reviewed to determine if the tenancy has been satisfactorily maintained. If a further tenancy is offered, then this will be for a fixed term of five years. A starter tenancy may be extended in accordance with the terms of the tenancy agreement. Affordable rent tenants may also be issued with assured “lifetime” tenancy agreements.
- 21.3. Tenants in properties that are classified as Intermediate rent properties under the Rent Standard will be offered ASTs for a minimum of 12 months but a maximum of 5 years. 12 month ASTs will be the Storm Standard for intermediate rent tenancies.

## **22. Joint tenancies**

- 22.1. Storm will grant joint-named tenancies on all occasions when individuals seek housing as a couple, unless any one of the joint tenants are ineligible for accommodation in which case a joint tenancy will not be granted.

## **23. Confidentiality**

- 23.1. The privacy of applicants will be respected and care will be taken to maintain confidentiality. Personal data will be collected and stored in line with our GDPR data protection policy. Responsible information sharing can play a key role in the letting of our homes, and GDPR compliant information sharing protocols with local authorities and partners will be followed where they are in place.
- 23.2. 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.

## **24. Shared Ownership**

- 24.1. Storm 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 up until the leasehold of the property or 100% equity is sold.

## **25. Eligibility**

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



- a) Have a household income of less than £80,000 (£90,000 in London) and be otherwise unable to purchase a property suitable to meet their housing needs on the open market
- b) Be able to fund the deposit and other purchase costs through savings or other funds
- c) 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).

## **26. Viewings and applications**

- 26.1. Households must apply for the shared ownership scheme and also apply for the specific property they wish to purchase.
- 26.2. Households interested in purchasing a shared ownership property should apply to register with the relevant agent in the first instance, who will check their eligibility for the shared ownership scheme.
- 26.3. All our properties for sale will be advertised through the relevant agent including the Housebuilder marketing suites, or through Storm marketing suites, who will check their eligibility for the shared ownership scheme.
- 26.4. Households should indicate their interest in specific Storm properties by using the form available on our website or at our marketing suites. Property viewings will be arranged for potential applicants by us or our agent.
- 26.5. Households wishing to apply for a property should complete and submit an application to our sales team, who will also conduct an eligibility assessment.
- 26.6. 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.
- 26.7. There is no restriction on the number of applications a household can make for Storm properties.

## **27. Allocations criteria and process**

### **28. Affordability**

- 28.1. Storm, or agents acting on our behalf, will assess whether applicants are able to afford the costs of acquisition and occupation without hardship. This will include an assessment of the equity available from sale of any existing property, along with any savings, and consideration of likely future living costs. We will also carry out credit checks on applicants.

### **29. Identity and source of funds**

- 29.1. Prospective owners will be subject to checks on their identity, background and source of funds, in order that we can meet our obligations under the Money Laundering Regulations.

### **30. Prioritisation**

- 30.1. 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.
- 30.2. 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 shared ownership properties.





- 30.3. 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. A completed application is one which has been approved by the independent mortgage broker and is accompanied by all the required supporting information.
- 30.4. We will not accept further applications for a property after it has been allocated.

### **31. Fees**

- 31.1. When applicants have been offered a new build property and wish to proceed, we will ask for a reservation fee of £1000. This will be deducted from the purchase price when the sale completes, or will be refunded to the applicant if the reservation agreement is cancelled.

### **32. Time scales**

- 32.1. For sales of new build properties we normally expect exchange of contracts within 16 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.
- 32.2. For resale homes, the timescales will be agreed between purchaser and seller.
- 32.3. Storm will endeavour to minimise the time that properties are empty between each letting, taking into account the circumstances of the customers who have been offered the properties.

### **33. Leases**

- 33.1. All shared owners will be issued with a standard shared ownership lease with an initial term of 125 years. A lease will be issued whether the leaseholder has purchased a flat or a house.
- 33.2. Where a shared owner's lease states an approach to rents that is different from this policy, the lease takes precedence.

### **34. Lettings and sales to staff, board members or their relatives**

- 34.1. Where a member of Storm's staff or board, or their close relative, applies for accommodation, Board approval must be given before an allocation can be made. A report will be made to the Board for decision. This also applies to any other member of Storm's parent or sister companies.

### **35. Persons by whom decisions are made**

- 35.1. Decisions under the Allocations and Lettings policy, and any discretion shown in the Allocation policy as belonging to the board, may be taken by representatives of Storm or other organisations who have been given the appropriate delegated authority by the board.

### **36. Appeal**

- 36.1. If an applicant wishes to appeal an allocation decision, including a decision not to make a sale, their representation will be dealt with in line with the Complaints Policy and Procedure.

- 37. Where we are using a third party managing agent, Storm will work with the agent to ascertain where their existing processes do not align to Storm policies. Storm can decide in these instances to follow the managing agent's policies where appropriate.



**38.** Storm will take action to prevent and tackle tenancy fraud.