

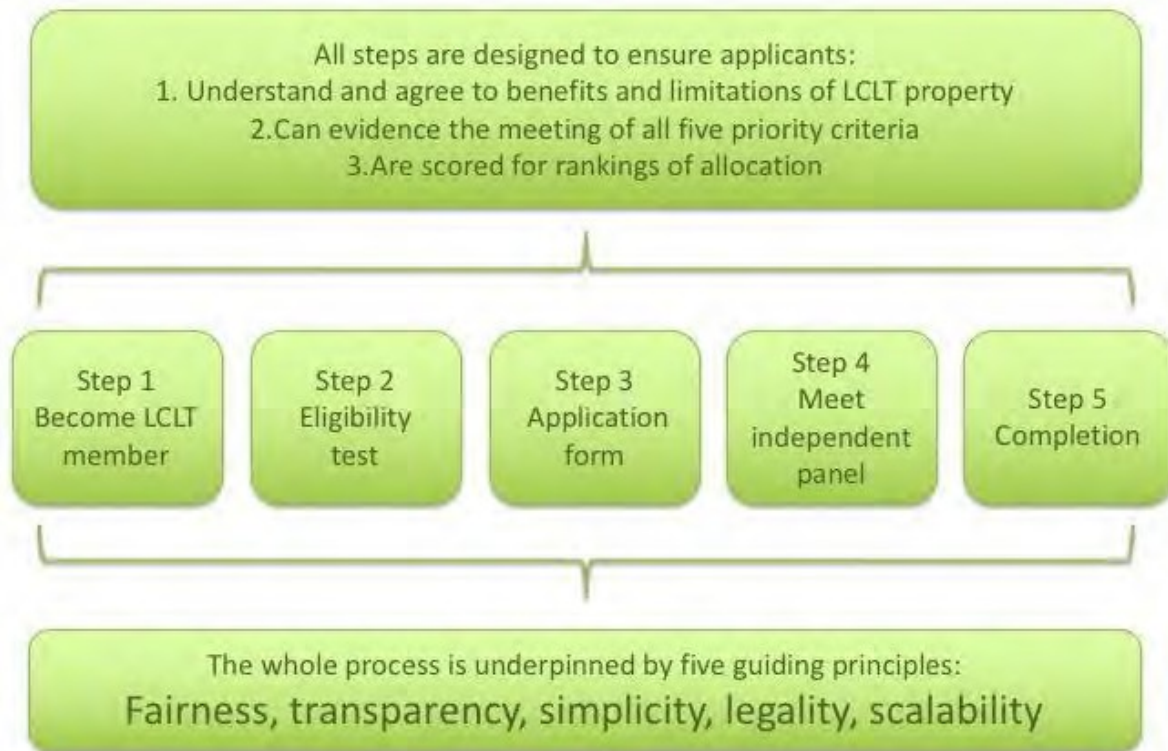


## **London Community Land Trust Home Ownership Offers Policy**

### **1. Introduction**

- 1.1. This policy for the marketing and allocation of London Community Land Trust (London CLT) properties is determined by the following:
  - Five guiding principles
  - Five criteria for allocation
  - Five steps to home ownership (application process)
- 1.2. London CLT will be responsible for allocating all London CLT homes on any given site. Demand for these properties will be high and therefore a fair allocation policy and robust application process is needed to guarantee the continued success of the London CLT model.
- 1.3. This policy will be adapted for each site based on input from local members, a local Community Steering Group and the local authority. However, the guiding principles and criteria will remain until the time that the London CLT board and/or London CLT members request a change and/or amendment.
- 1.4. London CLT does not operate on a choice-based lettings scheme, as we do not have the stock or capacity to do so, therefore we have to be sure that we are allocating our limited stock to those that most meet our eligibility criteria (see 3.1.). Input from local members on a project by project basis will support this process by revising for the local context:
  - 1.4.1. the best way to market to those who meet our eligibility criteria (e.g. low to middle-income earners in housing need, who cannot afford market options but are not prioritised by council housing). Such strategies may choose to focus on demographics in each borough that have difficulty accessing housing.
  - 1.4.2. Weighting the eligibility criteria and specifics of the application questions depending on what the local steering group decides should be a priority. For example, the length of time a resident should be resident in a local area or whether the local area is defined as the borough or the ward.
- 1.5. Please note for the purposes of this policy the local area is Lewisham with some priority for Sydenham and Forest Hill residents. There are a number of reasons for this. Firstly, the delivery of CLT homes is due to the collective influence of the residents across both Lewisham and Sydenham and Forest Hill where these homes

are being built. Equally, the need to take a pragmatic approach at managing the demand for a relatively small number of homes on any given project would make a larger area unmanageable.



1.6. The following diagram summarises this policy:

## 2. Five Guiding Principles

2.1. London CLT commits to taking all reasonable steps and making reasonable allowances in order to adhere to the following principles:

- Fairness
- Transparency
- Simplicity
- Legality
- Scalability

2.1.1. Any staff, sub-committee and members of an Independent Allocations Panel (IAP) are answerable to London CLT's Board and are mandated to act in

accordance with the above principles but retain a wide discretion within this mandate.

## 2.2. Fairness

2.2.1. A diverse range of audiences in housing need will be targeted via different platforms to ensure they are aware of the offer available and are able to apply.

2.2.2. Allocation of units will be determined solely on the extent to which the criteria have been met and therefore will be free from discrimination.

2.2.2.1. The applications process will be made accessible and inclusive to all, not discriminating on the basis of:

- Age
- Disability
- Caring responsibility
- Gender
- Gender reassignment status
- Gypsy or traveller heritage
- Medical status, including HIV/AIDS Status
- Marital, Civil Partnership or relationship status
- National origin
- Parental responsibility
- Physical abilities
- Physical appearance
- Pregnancy and maternity status
- Race, ethnicity or colour
- Refugee status
- Religion or belief
- Sexual orientation
- Employment status
- Trade union membership and activities

2.2.3. Considerations will also make the process accessible to all persons considering different levels of education, literacy (including financial and IT) and spoken English.

## 2.3. Transparency

2.3.1. *Prospective applicants will be made aware of the process and provided with clear information at each stage on how to apply.*

2.3.2. Applicants will receive feedback on their application. However, details of other applicants will not be shared.

2.3.3. It will be made clear in the application process which level of personnel are making which decisions and at which point in the process.

## 2.4. Simplicity

2.4.1. The ability to demonstrate the meeting of the allocation criteria will be made as simple as possible.

2.4.2. The application process will also be easy to follow with paperwork limited to the minimum.

2.4.3. At no point will questions or evidence requirements be designed to catch applicants out or be unclear as to why the question is being asked.

- 2.4.4. All paperwork, forms and guiding information will be concise and written in plain English.
- 2.4.5. Translated versions or translators will be made available where possible.

2.5. *Legality*

- 2.5.1. Allocations are made in accordance with the Equality Act.
- 2.5.2. The application process will adhere to the General Data Protection Regulation 2018.
- 2.5.3. Any financial transactions and services offered will be in accordance with the FCA.

2.6. *Scalability*

- 2.6.1. The policy and applications process must be such that it can be applied to a large number of applicants.
- 2.6.2. The policy and applications process must also be such that it can be replicated for other sites secured by London CLT.

2.7. The following table provides an example of how the principle can be monitored and/or ensured:

<b>Principle</b>	<b>Example for monitoring and ensuring</b>
Fairness	<ul style="list-style-type: none"> <li>● Work with support, community and advocacy groups to help individuals with application process.</li> </ul>
Transparency	<ul style="list-style-type: none"> <li>● Provide a clear information outlining where decisions are made and by who.</li> <li>● If and when any part of the process changes, to make every effort to ensure all applicants are made aware of this change and reasons for the change.</li> </ul>
Simplicity	<ul style="list-style-type: none"> <li>● We will benchmark our application process against others to ensure it is as succinct and simple as possible.</li> <li>● We will aim to write all application forms and resources in plain, simple English and review all documentation with members to ensure this.</li> </ul>
Legality	<ul style="list-style-type: none"> <li>● Seek support and guidance from legal experts on the policy and the more detailed process when documented. This includes both internal and external legal counsel.</li> </ul>
Scalability	<ul style="list-style-type: none"> <li>● Test processes before launch.</li> <li>● Ensure resource is in place to implement the policy.</li> </ul>

### 3. Five criteria for allocation

3.1. The member survey and workshop originally conducted to determine how to allocate at St. Clement’s identified five priority criteria from amongst the membership. Each applicant will be required to meet each of these five criteria. Failure to meet any one of these five criteria will result in an unsuitable application:

- Connection – Minimum of five years’ connection to the local area
- Involvement – Belonging to and participation in the local community
- Finance – Priced out of the open and intermediate housing market and able to afford a London CLT home
- Housing Need – More suitable (than current) accommodation required
- Supportive of London CLT.

3.2. These criteria will need to be demonstrated through a variety of evidence such as references, third-party documentation, answers to form-based and questions from the Independent Allocations Panel (IAP).

*3.3. Connection – Minimum of five years’ connection to the local area*

3.3.1. Given that one of the main purposes of London CLT is to provide a way for people to live where they feel they belong, length of time determined will often be a key criterion. The survey concluded a minimum of five years to be a suitable length of time an individual should be connected to the area in to qualify for a London CLT home. Five years will be calculated on a cumulative rather than concurrent basis.

3.3.2. The scope of this criterion will allow for those that have recently moved away, or those with breaks in their time living in the borough to apply, as well as those who may not be residents but very much consider much of their life is spent in that borough.

3.3.3. Applicants will be asked to demonstrate the strength of their connection to the borough. For example, children in local schools, access to local medical care, elderly parents living nearby etc.

3.3.4. This will likely be demonstrated by tenancy agreements, employment contracts and references.

*3.4. Involvement – Belonging to and participation in the local community*

3.4.1. This criterion delivers a two-fold objective.

Firstly, it allows applicants to demonstrate their commitment to the local area, rather than simply a circumstantial connection as demonstrated in the connection criterion, above.

Secondly, it allows London CLT to determine the extent to which the applicant is likely to be a committed and pro-active member of the CLT community as well as their intent to be neighbourly. This is our working definition of participation in the local community and could involve anything from: supporting an elderly neighbour in doing their shopping, to tutoring local school children or running coffee mornings at a local church. It should be noted that it is not assumed that certain types of involvement are better or preferable to others. This is an open list, which also extends to people receiving support as well as providing it.

3.4.2. Evidence to satisfy this criterion is likely to be through answers provided in the application form and then verified in a meeting with the IAP as well as references from other local residents or members of local organisations.

*3.5. Finance - Priced out of the open housing market and able to afford a London CLT home*

3.5.1. Applicants will be required to demonstrate that they neither have enough income nor savings or possibly future earning potential (such as in the case of pensioners) to purchase an appropriate property in the borough on the open or intermediate housing market.

3.5.2. Affordability will be determined by the median wage in the borough at the time of application. For example, the median wage in Lewisham at the time of London CLT's allocations at Brasted Close was approximately £37k. Ranges will depend on the borough, at Brasted Close applicants will be expected to be earning between about 90% and 190%, depending on the size of home being applied for.

3.5.3. Applicants that can afford to purchase an appropriate property from the open or intermediate housing market will not be considered for a London CLT home. Applicants unable to afford a London CLT home and seeking accommodation within the borough will be signposted to affordable rental options with the local council.

3.5.4. Applicants must provide evidence that they have access to the finance needed to purchase a London CLT home. This should be a mortgage but depending on the applicant may some combination of personal savings or loans maybe be considered.

3.5.5. Applicants will also need to demonstrate that they will be able to afford the repayment of any loans and manage the financial demands of home ownership such as ongoing maintenance and service charges. This will be determined by the applicant submitting a full key facts illustration during the application and evidence of regular income such as payslips or bank statements, as well as answering specific questions around debt. The predominant auditable responsibility and review will be that of the mortgage provider after the home has been allocated. London CLT checks during the application will be to mitigate the dropouts rate of applicants at later stages.

*3.6. Housing Need – More suitable (than current) accommodation required*

3.6.1. Applicants will be asked to specify whether they are applying for a one, two or three-bedroom unit or if they require specific modification or a ground floor unit. London CLT will seek on every development to include at least one ground floor wheelchair accessible unit. Applicants will need to demonstrate their need for this type and/or size of unit. If the applicant has been allocated a home, London CLT will actively work to adapt the home as much as is possible and within the constraints of the budget and construction timetable. We will also actively work with them to find further support if we are unable to provide it.

- 3.6.2. Applicants who are existing homeowners or own part of a shared ownership home will not be automatically excluded from applying if their existing home does not meet their housing need. This may include, but is not limited to, applicants whose families have grown and are now overcrowded but are unable to purchase a comparable home on the open market.

Applicants will be expected to sell their existing unsuitable home to finance a London CLT home, assuming that action would not infringe on the rights of others. Homes will usually be allocated far enough in advance in the completion of the homes for the applicant to put their existing home on the market and sell it. The point at which they are instructed to do so will depend on the timeline of the project e.g. planning application submission, construction deadlines and legals.

Applicants that own more than one home will normally be excluded from the scheme.

### *3.7. Supportive of London CLT*

- 3.7.1. Residents will be expected to be active members of London CLT. Therefore, they need to be able to demonstrate an understanding of and commitment to the mission, vision and values of London CLT. This also includes a demonstration of understanding the purpose, benefits and limitations of owning a London CLT home.
- 3.7.2. Evidence to satisfy this criterion is likely to be through answers provided in the application form, questions in a meeting with the IAP and through completing a compulsory CLT 'crash course' upon being successfully allocated.
- 3.7.3. Any London CLT site will likely be run by a Residents' Management Company (external to London CLT). All residents (including London CLT residents) will automatically be members and London CLT will expect its residents to make reasonable efforts to attend Management Company meetings and participate in discussions regarding site management

## **4. Four Marketing Steps**

- 4.1. The community-led nature of each project means that many local residents around each site and related borough are engaged during the campaign to secure land. Alongside this, there will be a focused effort to market the homes to those in housing need in the run up to practical completion. London CLT's marketing steps provide a framework **from which to operate, while allowing adequate scope for adaptation to local contexts.**

1. Identification
2. Engagement
3. Communication
4. Support

## 4.2. Identification

4.2.1. London CLT will work with campaign groups and local steering committees (comprising of local residents and institutions) to identify a range of networks to market to who best meet London CLT's eligibility criteria.

4.2.2. These will include:

- 4.2.2.1. Local residents living near the site
- 4.2.2.2. Local Community Based Institutions and Organisations
- 4.2.2.3. Hard to reach audiences
- 4.2.2.4. Borough wide residents
- 4.2.2.5. Existing CLT Members

4.2.3. Identifying the appropriate audiences and groups to contact will occur 6-9 months before practical completion

## 4.3. Engagement

### 4.3.1. Broad Approach

- 4.3.1.1. Approaches to contacting each audience will be tailored as described below. London CLT is a relational organisation so will seek to build local marketing networks face to face where possible.
- 4.3.1.2. We will always maintain an open and transparent marketing strategy through which anyone is welcome to visit our dedicated allocations page or "get involved" page on our website and take our eligibility test to see whether they meet our criteria to apply for a home.

The audience types mentioned in 4.2.2. will be reached and encouraged to apply through the following approaches:

### 4.3.2. Local residents living near the site

- 4.3.2.1. Canvassing in a local area with the dedicated campaign group to assess whether there are residents in housing need who are eligible and interested in applying or know people who might be.

### 4.3.3. Local community-based institutions and organisations.

- 4.3.3.1. Delivering information workshops to inform prospective applicants in the local community of the opportunity e.g. in mosques, church halls, school halls, local charities.
- 4.3.3.2. FAQs and marketing material will be published online via the London CLT website, through our mailing list and distributed at workshops. Such material will consist of what the London CLT product is and how it differs, their rights as CLT homeowners, likely purchase costs, monthly costs etc.



4.3.4. Outreach to hard to reach networks e.g. older people and disabled through dedicated engagement with local partner organisations.

4.3.4.1. Through local workshops to these institutions as above.

4.3.4.2. FAQs published online and distributed at workshops – description as above.

4.3.5. Borough wide residents

4.3.5.1. Through Local media channels e.g. newspapers - The London CLT Campaigns Manager, Community Organisers and volunteers will send press releases to relevant outlets, call to follow up and aim to get articles and interviews.

4.3.5.2. London CLT will also attend political assemblies in local boroughs to promote opportunities.

4.3.5.3. Social media - Opportunities will be posted on the London CLT social media, website and via local partners and networks.

4.3.5.4. We will liaise with local authorities housing teams to offer the opportunity to those on council waiting lists if they also meet our eligibility criteria, which can be completed online at any time.

4.3.6. London CLT's membership (currently 3,000+ members)

4.3.6.1. An online newsletter informing the CLT mailing list of the opportunity and subsequent updates.

4.3.6.2. Information will be posted via the London CLT website with the offer, next steps and updates.

4.3.7. This process will be carried out 3-6 months before practical completion on site

4.4. Communication

4.4.1. In workshops, canvassing and correspondence tone and managing expectations are key parts of the process.

4.4.2. All engagement that prospective applicants have with London CLT should be warm, informative and based on the 5 guiding principles of London CLT's allocations policy; fairness, transparency, simplicity, legality and scalability. It is important that people understand the process and are supported through it.

4.4.3. Managing expectations early on is vital. Key messages must be consistent. Points that must be understood by applicants are:

4.4.3.1. That residents must take responsibility as homeowners both in the purchase of their homes and their management. They will be expected to:

4.4.3.1.1. Be involved in the management of their home. The success of this is reliant on long-term resident participation in governance structures of the project.

4.4.3.1.2. Attend compulsory training sessions for residents before moving in on subjects including how resident-led management will work; what a CLT is and how the mortgage application process will work.

#### 4.5. Support

4.5.1. Prospective applicants and residents should be supported throughout their engagement with London CLT from initial contact to becoming a resident. To facilitate this support London CLT in turn requires the support of local volunteers.

4.5.2. During the engagement stage London CLT staff will train local volunteers in key messaging and implementation of the marketing and offers process.

4.5.3. Volunteers will be expected to run the marketing and offers process alongside London CLT staff. This may include them fielding enquiry calls, canvassing, running workshops etc.

4.5.4. The local campaign group that is trained by London CLT staff will then be enabled to train campaigners on future London CLT sites.

## 5. Five Steps to Home Ownership

5.1. To apply for and be allocated a London CLT home an applicant must take several steps as outlined below:

1. Become a member of London CLT
2. Pass an eligibility test
3. Complete a form-based assessment
4. Attend a meeting with the Independent Allocations Panel (IAP)
5. Accept allocation of unit and engage in the contract exchange/sale completion process (to include a series of training workshops around home management and understanding the CLT).

5.2. The steps have been identified to ensure the process meets the guiding principles and all reasonable measures are taken to ensure applicants meet the five criteria.

5.3. A scoring matrix will be applied to the form-based application. The purpose of scoring is to be as objective as possible in determining the strength of an application and further ranking for allocation. It will also help explain and provide clear reasons for why an applicant may be unsuccessful at the point of allocation even if they meet the criteria.

5.4. The scores will be weighted in accordance with the priorities of the criterion as determined by the process of engaging members in a survey, contributions from board members, an offers policy workshop and considerations regarding practical delivery of the process.

5.5. Decisions made by senior staff and/or directors are final and cannot be appealed against. Applicants can ask for feedback on their application at any step. However, any administrative errors or mistakes made by London CLT staff resulting in an unsuitable application or low scoring can be reviewed.

*5.6. Become a member of London CLT*

5.6.1. All applicants must be a London CLT member with a membership share. Being a community share offer shareholder will give the applicant no preferential treatment in the application and allocation process. Applicants on London CLT staff or with close connections to board members are not restricted from applying, however they will be asked to disclose any previous or existing connection in order that their application be processed and appraised fairly.

*5.7. Pass an eligibility test*

5.7.1. To provide all the information needed plus supporting evidence for the application, steps three and four of the process are likely to be time consuming for the applicant. Therefore, steps one and two are designed to help applicants be certain that a London CLT home is an option worth pursuing for them and that they know and understand as much about the limitations and requirements of owning a London CLT home as they do the benefits. A FAQs document will be made available to all applicants online including a clear timeline of the application and offers process.

5.7.2. The eligibility test will help applicants in understanding what they can expect from owning a London CLT home. It will ensure they understand what is to be expected of them as London CLT homeowners. It will also introduce the five criteria and ensure applicants are aware of how their application will be assessed.

5.7.3. The step itself will be designed to be as easy to navigate and as short as possible. It should be experienced more as part of the communication process for application rather than a 'hoop to be jumped through'.

5.7.4. It will also include the check to see that the applicant is a London CLT member.

5.7.5. If the applicant is deemed eligible, they will then be able to complete an application form.

5.7.6. If an applicant fails the eligibility test but considers that their circumstances are such that they should be eligible, they will have the opportunity to request feedback and reconsideration on the test from a member of the London CLT team.

*5.8. Complete a form-based assessment*

5.8.1. This step will seek to ensure that all the criteria are met. The application will be assessed firstly based on the criteria met and evidence and or information provided to establish this. Secondly, the strength of the application will be assessed, and each applicant scored. The top scored applicants that fit the relevant unit mix at St. Clements will be selected for a meeting with the IAP. We

will seek to interview only those applicants that match the number of available units to reduce disappointment.

- 5.8.2. The application form will ask if an applicant has a history of housing offences or criminal convictions. However, the detail of these will not be requested until an applicant is through to the stage of meeting with the IAP. Disclosure will not be automatic disqualification and each application (where all criteria are met and the application scores high enough for a meeting with the IAP) will be assessed on it the details of the offence and time lapsed of spent or current convictions. Guidance on this will be provided to the IAP.
- 5.8.3. This will be an electronic form that requires completion electronically. A physical signature at this stage will not be required but indication that a statement regards the content being true and accurate to their knowledge at the time of submission will be required.
- 5.8.4. Any form containing inconsistencies or errors, will prompt contact from a London CLT employee. They will discuss and agree next steps and a timeframe for any additional information.
- 5.8.5. If at any point (by any person) a material omission or misstatement is identified, London CLT reserves the right to withdraw the application or an offer of a unit to the applicant.
- 5.8.6. The weighting of the five criteria will depend on input from local members, the Community Steering Group and the local authority. It will be out of 100.

	<b>Weighting</b>
Connection - Minimum of five years connection to the borough	25%
Housing Need – More suitable (than current) accommodation required	30%
Finance - Priced out of the open housing market and able to afford a London CLT home	20%
Involvement – Belonging to and participation in the local community	15%
Supportive of London CLT	10%
<b>TOTAL</b>	<b>100</b>

*5.9. Attend a meeting with the IAP*

- 5.9.1. The top scoring applicants will be invited to attend a meeting with the IAP. The role of the panel will be to verify the scores and to confirm that the selected applicants will best work together to make the development a vibrant and functional community.
- 5.9.2. Panel members will include both board members and third party representatives.

5.9.3. Where a couple is making a joint application, they will both be invited to attend the meeting with the IAP. If an individual or couple requires an advocate to be in the meeting, this too will be allowed.

*5.10. Accept allocation of unit and engage in the contract exchange/sale completion process*

5.10.1. The selected applicants at the IAP will be allocated a unit in accordance with their need (i.e. a one, two or three-bedroom property, on the ground floor etc.) They will have the opportunity to express a preference in the application for a unit but this cannot be guaranteed, unless they have a clear reason for the request, e.g. disability or access needs. If they are not satisfied with the allocation made there may be a further opportunity to swap with another applicant if they are willing or to withdraw from the application process.

5.10.2. Applicants will be expected to take part in compulsory CLT training on being responsible homeowners and understanding the ethos of London CLT.

5.10.3. They will then be offered a Heads of Terms for their unit and be asked to engage solicitors and their mortgage provider in preparation for the contract exchange and sale completion.

5.10.4. In the event of an applicant voluntarily leaving the process or their financial circumstances change for the worse so that they are no longer able to afford the property, the next suitable candidate eligible for the relevant unit size will be invited to accept an allocation.