



Leasehold Management and Consultation Policy

Policy Number POL14

Purpose of Policy

To define the roles and responsibilities of both leaseholders and Derwentside Homes in relation to repairs, improvements and service charges and to ensure that leaseholders are fully involved and consulted.

Policy Statement

Derwentside Homes will consult and involve leaseholders in any work undertaken that could affect their properties.

Derwentside Homes will comply with and honour its obligations contained within leases, and will ensure that leaseholders comply with the terms of their leases.

Performance Measures

- Leaseholders satisfaction with the overall service provided by the landlord;
- Leaseholders satisfaction with arrangements for participation;
- Number of disputes in relation to service charge bills;
- Number of complaints regarding quality of repairs and improvement work carried out.

Review Date:
Responsible Officer
Policy Author(s)
Date Approved by the Shadow Board
Frequency of Review

Three years or as dictated by legislation/guidance

Review Date
File Reference
Consultees

Tenants Forum
Staff
Management Team
Derwentside Homes Shadow Board

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1. Statement of Intent

- 1.1 Leaseholders are either purchasers who have bought the leasehold to a flat from the Council under the Right to Buy scheme, or have purchased the lease from the original purchaser. In both cases the freehold interest will transfer from the Council to Derwentside Homes.
- 1.2 Derwentside Homes will honour and comply with the existing terms, rights, obligations and covenants of leases.
- 1.3 Derwentside Homes will ensure that leaseholders comply with the terms, rights, obligations and covenants contained within their leases.
- 1.4 Derwentside Homes will, as far as possible, make services and access to information available to both tenants and leaseholders, regardless of their tenure.
- 1.5 Derwentside Homes will endeavour to develop consultation structures that are effective and will actively engage with and listen to all sections of the community.
- 1.6 Leaseholders will be required by Derwentside Homes, under the terms of their lease, to pay a service charge to cover the cost of communal repairs and services provided.
- 1.7 Derwentside Homes will ensure that service charges reflect the costs of services provided. In the event that major works need to be carried out, these will only be undertaken if they are:
 - Necessary for proper maintenance, improvement or modernisation;
 - To maintain and preserve structural integrity and mains services;
 - Of an urgent nature to ensure the safety and well being of the building or its occupants;
 - Considered to be reasonable.

2. Outline of Service

- 2.1 Derwentside Homes will consult and involve leaseholders in any work undertaken that could affect their properties.
- 2.2 Derwentside Homes will apply a number of mechanisms for consultation and involvement equally to tenants and leaseholders, consistent with its Tenant Participation and Consultation Policy.
- 2.3 Leaseholders will be encouraged to participate in their local tenants' and residents' association, if there is one.
- 2.4 Derwentside Homes, as lessor, will be responsible for the structure of the buildings in which flats are situated and for the common parts of the buildings such as shared hallways and staircases and related services.

- 2.5 Leaseholders will be responsible for repairs and maintenance within flats. This includes the inner facing of all walls, floorboards or concrete skim, ceiling plasterboards, window glass, and water, electricity and gas services within flats. It also includes painting and decorating within flats.
- 2.6 Derwentside Homes may make charges to leaseholders for the carrying out of major works, improvement schemes and modernisations.
- 2.7 Derwentside Homes, in accordance with the statutory requirements, will consult leaseholders before entering into a contract for qualifying works where the cost is recovered through a service charge. Qualifying Works cover maintenance, repair or improvement works where the amount payable by any one contributing leaseholder exceeds £250 in any one year.
- 2.8 Derwentside Homes, in accordance with statutory requirements, will consult leaseholders before entering into a qualifying long term agreement for the provision of services where the amount payable by any one contributing leaseholder exceeds £100 in any one year. Examples of potential qualifying long-term agreements could include:
- Agreements affecting the building generally (e.g. lifts, entry-phone systems, waste management or maintenance contracts);
 - Cleaning and gardening;
 - Insurance;
 - Utilities.
- 2.9 Derwentside Homes will consider extending the use of repair ordering facilities and emergency call out services to leaseholders, and administrative and recharging arrangements may be developed.
- 2.10 Derwentside Homes have different responsibilities towards its rented tenanted properties. For example, fitting new kitchens and bathrooms. Leaseholders are responsible for these. Derwentside Homes will consider, when awarding certain contracts for major internal improvements that are to be carried out in tenanted properties, negotiating with the contractor to make these improvements available directly to leaseholders for the same unit cost that Derwentside Homes are being charged. Derwentside Homes will consult leaseholders if this can be made available.
- 2.11 Derwentside Homes will keep leaseholders informed of future expenditure plans to their areas. This will enable leaseholders to plan for changes to service charges as a result of improvement works.
- 2.12 Derwentside Homes will consider where planned works cannot be afforded by leaseholders; arrangements will be made so that payments by them to cover the cost can be made over a jointly agreed time period.
- 2.13 Derwentside Homes will, where allowed by the lease, make changes for the following services, for example:
- Grass cutting of open plan areas;

- Shared television aerials;
- Insurance;
- Repairs and maintenance;
- Staircase lighting;
- Caretaking and cleaning;
- Security and safety measures;
- Water.

- 2.14 Derwentside Homes will consult with leaseholders prior to the introduction of new services and related charges.
- 2.15 Derwentside Homes will encourage leaseholders to take an active role in monitoring the standards of services received and will make sure that service charge bills are compiled accurately and issued promptly. Copies of supporting invoices and repair orders will be made available to leaseholders on request.

- 2.16 Disputes in relation to service charge bills will be resolved in line with Derwentside Homes' complaints procedure. Derwentside Homes will accept challenges to service charges on the following grounds:

For charges that have been levied:

- Whether the costs for services, repairs, maintenance, insurance or management were reasonably incurred;
- Whether services or works for which costs were incurred are of a reasonable standard; or
- Whether an amount payable before costs are incurred is reasonable;
- Whether leaseholders have been consulted in accordance with statutory requirements.

For charges that may be levied:

- Whether, if costs for services, repairs, maintenance, insurance or management were incurred, they would be reasonable
- Whether services provided or works to be carried out to a particular specification would be of a reasonable standard
- What amount payable before costs are incurred would be reasonable.

- 2.17 In addition to the complaints procedure Derwentside Homes recognises that leaseholders have a right to appeal to the Leasehold Valuation Tribunal in relation to service charges. Local Valuation Tribunals are part of the Residential Property Tribunal Service (RPTS). The Northern Rent Assessment Panel covers this service and can be reached at the following address:

Residential Property Tribunal Service
20th Floor
Sunley Tower

Derwentside Homes - Leasehold Management and Consultation Policy
Approved 17th May 2006

Piccadilly Plaza
Manchester
M1 4BE

Tel: 0845 100 2614
Fax: 0161 237 3656
E Mail: northern.rap@odpm.gsi.gov.uk

3. Specific Needs

- 3.1 Derwentside Homes will take into account the specific needs, which may arise, of older and vulnerable people, people with disabilities, and Black and Minority Ethnic groups, in a manner that promotes equality and inclusiveness, meeting the requirements of the Housing Corporation's Regulatory Code and Guidance.

4. Consultation

- 4.1 Derwentside Homes will seek the views of leaseholders on this policy in a variety of different ways including the use of service review groups on a periodic basis or as when issues arise.
- 4.2 Derwentside Homes will consult leaseholders in line with the provisions of the Commonhold and Leasehold Reform Act 2002.

5. Monitoring

- 5.1 The Board of Derwentside Homes will receive regular monitoring reports to evaluate the effectiveness of this policy in meeting agreed performance targets and customer expectations.
- 5.2 Derwentside Homes will undertake surveys to monitor the satisfaction of its tenants with the service provided and will publish the results.

6. Review

- 6.1 Derwentside Homes will undertake a review of this policy whenever there are any relevant changes to legislation, case law or good practice that would impact on this policy.

7. Legislation and Other Documents

- Housing Act;
- Landlord and Tenant Acts of 1985 and 1987;
- Leasehold Reform, Housing and Urban Development Act 1993;
- Housing Act 1996;
- Commonhold and Leasehold Reform Act 2002;
- Housing Corporation- The Regulatory Code and Guidance;

Derwentside Homes - Leasehold Management and Consultation Policy
Approved 17th May 2006

- Complaints, Compliments and Compensation Policy.