

Leaseholder Handbook

Housing Services
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1.0 Introduction

- 1.1 The Council's Leaseholder Handbook sets out the values that will be followed by the Council in how it works with its leaseholders. It explains how the Council will deliver a leasehold management service that meets its landlord responsibilities to leaseholders under the terms of their leases in line with legislation. It also contains a summary of the respective rights and responsibilities of the Council and its leaseholders. The Handbook is a general summary. The law with regard to leaseholders can be very complicated, but in every case leaseholders should refer to their own lease agreement or take independent legal advice.
- 1.2 The Handbook sets out the Council's approach to charging, billing and the recovery of charges.
- 1.3 In South Derbyshire, the Council identifies leaseholders as occupiers who have long-term leases of flats.

2.0 Your rights as a leaseholder

About your lease

- 2.1 The lease is a contract between you and the Council. It gives you and your successor's conditional ownership of your flat for a long period provided you keep to the terms of the lease.
- 2.2 Flats within buildings owned by the Council are occupied either by tenants who pay a weekly rent to the Council, or by long-term tenants called leaseholders who have purchased a 125-year lease (or subsequent part) of the flat. In both cases, the Council remains the owner of the building in which the flat is situated, and the land upon which it is built and is, therefore, the landlord of the tenant or the leaseholder.
- 2.3 A leaseholder may have acquired the property as the original purchaser under the 'Right to Buy' scheme, or by purchasing it from an existing leaseholder. The lease gives the leaseholder the right to live in the property in accordance with the terms and conditions of the signed lease agreement.

3.0 The Law

3.1 There are several laws and Acts of Parliament protecting your rights as a leaseholder. If you are not sure of your rights, a solicitor can advise you or you can contact the Citizens Advice Bureau (see the list of useful contacts at the end of this handbook). The main acts of parliament covering leasehold tenancies are:

- The Landlord and Tenant Act 1985 and 1987
- The Housing Act 1985 and 1996
- The Commonhold and Leasehold Reform Act 2002
- Leasehold Reform, Housing and Urban Development Act 1993
- You can see copies of these Acts at main public libraries or on the internet.

4.0 Your responsibilities as a leaseholder

4.1 The lease sets out the detailed obligations of the leaseholders and these include:

- The extent of the lease.
- Paying the yearly ground rent, the insurance premium and the service charges on time.
- Keeping the inside of the property in repair.
- Notifying the Council of any change in ownership.
- Allowing the Council all reasonable access to the property to check on its condition, and to carry out repairs and improvements to the parts of the building for which it is responsible.
- Using the property for residential purposes only and not for any type of business.
- Not causing nuisance to adjoining property or residents.
- Not causing any obstruction or safety hazards to common areas (i.e. stairwells)
- Obtaining written permission from the Council to carry out any structural work or alterations.

5.0 Rights and responsibilities of the landlord

5.1 The lease also sets out the Council's obligations. These include:

- The management of the building.
- Improving, repairing and maintaining the structure of the building and any communal areas, subject to the payment by the leaseholder of a reasonable service charge.
- Delivering all other services as set out in the lease and recharging as appropriate.
- The Council has the right, in some circumstances, to enter your property to carry out repairs if there would be otherwise a danger to other residents.
- The Council must consult you before it carries out any major work or improvements to your building and before it enter into any long-term contract for providing services.
- The Council may forfeit (terminate) the lease if the leaseholder is in breach of the terms of the lease. Similarly the leaseholder may challenge the Council if it is in breach of its obligations under the lease. The right to forfeit is strictly controlled by law to give the leaseholder a chance to resolve any breaches of the lease terms before the Council can repossess the property.

6.0 Repairs and Maintenance

- 6.1 The Council insures the structure of the building on behalf of the leaseholders and its other tenants.
- 6.2 The Council and leaseholders have certain responsibilities under the terms of the lease. A summary of the main responsibilities for each party are listed below, however, you will need to refer to your lease for full details of all the responsibilities:

Council Responsibility	Leaseholder Responsibility
All issues relating the structure and communal areas of the building.	Internal decoration of own flat.
All communal areas both internal and external.	Internal floor coverings and floor boards.
All communal fixtures and fittings including rainwater pipes, gutters and fascia boards.	Internal fixtures and fittings which include internal pipes, taps, sinks and sanitary fittings.
The provision of any communal TV aerial, cleaning service and communal electricity.	The maintenance of any heating system which serves the leaseholder’s property including the annual gas servicing and any repairs.
The repair and maintenance of any shared pathways, boundary walls and car parking areas, as well as communal gardens and grassed areas.	Fuses, light fittings and other electrical and gas appliances, including the connection to mains electrical and gas supplies provided by authorised supply companies.
The provision of an adequate buildings insurance policy.	Fences and boundary walls that have been sold to the leaseholder as indicated in the lease agreement.
Outside drainage.	Any additions to the original structure that you have made with our consent including conservatories, porches and sheds.
Maintenance of door entry systems that serve the property.	The freezing or bursting of internal pipes.
Fire risk assessment work.	Internal wall coverings as well as internal doors, tiles and skirting boards and the like.
	Replacement and cleaning of windows

- 6.3 The leaseholder should report repairs for which the Council is responsible either by phone, e-mail or in person. Please see the contact details in this handbook.

7.0 Service Charges

7.1 General

7.1.1 The service charge is levied in two ways. The first is an annual payment required from the leaseholder as a contribution towards the cost of maintaining the structure of the building in which the flat is situated and any communal areas and services. The cost is spread fairly between the properties that benefit from the particular services. Where the leaseholder buys the property under the 'Right to Buy' scheme, the Council provides an estimate of the service charge for the first five years at valuation stage, and may not ask the leaseholder to contribute more than the estimate for those years.

7.1.2 The service charge is calculated on an individual site basis and the services for which a charge may be made are listed in the lease. Examples include:

- Communal Cleaning – cleaning of communal hallways and stairwells.
- Decoration – pre-painting repairs and painting of communal hallways, stairwells and external painting including fascias and drainpipes.
- Door entry systems – maintaining door entry systems that serve the properties.
- Grounds Maintenance – maintaining communal areas of land, including cutting grass, pruning shrubbery and weed killing on communal paths and drying areas.
- Communal Electricity – lighting to communal hallways and stairwells.
- Repairs and Maintenance – repairing and maintaining the building and the communal areas including emergency works.
- Fire risk assessments and associated work.

7.1.3 Management charges to cover the administration of:

- Keeping financial accounts.
- Processing invoice and service charge payments.
- Office overheads.
- Dealing with leaseholder queries.

7.2 Paying the Annual Service Charge

7.2.1 The service charge year runs from 1st April to 31st March and service charges are payable in advance. At the beginning of each service charge year the Council will raise an invoice for the estimated service charge for the coming year. The service charges are paid quarterly but, as many invoices are modest, leaseholders often pay in one lump sum. In cases of hardship, it may be possible to set up a monthly direct debit to pay the invoice. Details of this scheme, together with any other service charge queries, are dealt with by the Income Officer in Housing Services.

7.2.2 At the end of the service charge year the Council reconciles the estimated service charge against the actual cost of the services and produces a reconciliation statement. The statement is sent to the leaseholder. If they have over-paid then (depending on the procedure set out in the lease) a refund may be made, or the balance may be carried forward to the next year. If they have under-paid then they will receive an invoice for the balance.

7.3 Planned Maintenance and Improvements

7.3.1 The second element to the service charge is levied only when major works are required to the structure of the whole building. In these circumstances the leaseholder will need to contribute their proportionate share of the actual cost of the works. The Council does accept that such expenditure may mean the leaseholders are faced with unforeseen large invoices but the Council may make arrangements with leaseholders to spread the cost.

7.3.2 The Council undertakes planned maintenance and this may affect leaseholder properties. Where the service charge contribution for these works from the leaseholders is expected to exceed £250.00 per property then the Council is required, under section 20 of the Landlord and Tenant Act 1985 (as amended by section 151 of the Commonhold and Leasehold Reform Act 2002) to undertake consultation with all the parties affected before the work commences. If it fails to comply with the consultation procedure, it will not be able to recover the full cost of the works.

7.3.3 You must not carry out any structural work or alterations to your property until you have the Council's permission in writing. This is a condition of your lease.

8.0 Insurance/Ground Rent

8.1 Under the terms of your lease you are required to pay a yearly ground rent which is due on 1st April. The Council's Finance Team issues a yearly invoice to the leaseholder for the ground rent.

8.2 As a condition of your lease the Council is obliged to provide comprehensive buildings insurance for your property with a reputable company. Details of this insurance are provided in April every year by the Council's Finance Team.

8.3 The insurance does not cover the contents of the leaseholders' property and contents.

9.0 Billing and Payments

9.1 There are a variety of options for making payments including:

- For your convenience you can pay using your debit/credit card by phoning 01283 595865
- Via the Internet. Go to www.south-derbys.gov.uk. Click on 'Pay for it', then 'Pay an invoice', then 'Invoices', then enter your payment details
- At any Post Office or PayPoint. Please present the Invoice at any Post Office or PayPoint outlet in the country and quote the amount you want to pay. Keep this invoice for future use. There is no fee payable to use this service. You must retain your counter receipt as proof of payment.
- You are advised not to send cash through the post.

If you have a genuine difficulty in paying this invoice please contact: Debt Recovery on 01283 228756

10.0 Customer Engagement

10.1 The Council is committed to consulting with leaseholders on issues material to their homes and it has a number of processes which facilitate this openness.

All new leaseholders will receive details of the leaseholder charges within two weeks of their lease commencing.

Any amendments or alterations to this Handbook will be fully consulted on with all leaseholders.

10.2 If you would like to find out how you can have your say and make a difference, you can find more information about how to get involved at

<https://www.south-derbys.gov.uk/our-services/housing/council-tenant/get-involved>

If you are not satisfied with the level of service provided by the Council please go to the Council's website www.south-derbys.gov.uk. The link below takes you to the Council's [Complaints procedure](#)

10.3 The Council is committed to ensuring the highest level of service is provided to leaseholders. This is monitored by specific site inspections by Housing Officers, customer satisfaction surveys and consultation events that are held from time-to-time.

10.4 Performance is also scrutinised more formally via the Council's Committees.

11.0 Data Protection

11.1 The Council will treat all information given or held about customers with the highest level of integrity. More information about the Council's approach to data protection can be found: <https://www.south-derbys.gov.uk/about-us/data-privacy-and-cookies>

12.0 Useful Contacts

Leasehold Advisory Service (LEASE)

The Leasehold Advisory Service provides free advice on all aspects of the law affecting leasehold property through its website. This also contains a lot of information on applying to a leasehold valuation tribunal.

Address: 31 Worship Street, London, EC2A 2DX

Tel: 0845 345 1993

www.lease-advice.org

The Leasehold Valuation Tribunal (LVT)

The First Tier Tribunal (Property Chamber – Residential Property) has replaced the Leasehold Valuation Tribunal and you can get advice from the lease website above or Citizens' Advice Bureaux.

Solicitors

To find a Solicitor in England and Wales, visit www.lawsociety.org.uk or phone 0870 606 6575.

Citizens Advice Bureau

114 Church Street, Church Gresley, Swadlincote DE11 9NR

Tel: 0300 330 9002

13.0 Contacting Us

Online on our website: www.south-derbys.gov.uk

Email housing@south-derbys.gov.uk

In person at the Council Offices at Civic Way, Swadlincote, DE11 0AH. Opening hours are 8.45am until 5.00pm Monday to Thursday, closing at 4.00pm on Friday.

If you need to see the Income Officer please you can make an appointment by calling 01283 595962.

If you have an emergency outside of Council opening hours then please call 01283 221225

