



Leaseholder Handbook 2020

Contents

Version Control	3
Approvals	3
Associated Documentation	3
1.0 Introduction	4
2.0 Your rights as a Leaseholder	4
3.0 The Law	4
4.0 Your responsibilities as a Leaseholder	5
5.0 Rights and responsibilities of the Landlord	6
6.0 Repairs and Maintenance	7
7.0 Service Charges	9
8.0 Billing and Payments	11
9.0 Selling or letting out your home	12
10.0 Customer Engagement	14
11.0 Data Protection	14
12.0 Useful Contacts	15
13.0 Contacting Us	15

Version Control

Version	Description of version	Effective Date
0.1	Draft by Partnerships and Project Lead	10/10/19
0.2	Update following initial feedback	19/11/19
0.3	Consultation version for Leaseholders	13/1/20
0.4	Version post consultation	3/2/20
Final	Version	10/2/20

Approvals

Approved by	Date
Martin Guest – Performance and Projects Lead	10/2/20

Associated Documentation

Description of Documentation	

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 our approach to charging, billing and the recovery of charges.
- 1.3 In Ashfield, the Council identifies leaseholders as occupiers who have long-term leases of flats/maisonettes.

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/maisonette 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, 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 external 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.

5.2 Your block and estate are managed by the Housing and Assets Directorate, a Department of Ashfield District Council. Various Departments within Ashfield District Council are responsible for providing services to you including:

- Responsive and Void Maintenance Section – for District Heating Faults and emergency repairs/communal repairs
- Planned Cyclical and Maintenance Section – for queries on planned maintenance works and painting to leasehold properties
- Assets and Investment Section – for queries in relation to Major repairs
- Housing Management and Tenancy Services Section – for queries on estate management issues, council properties and permission requests for improvements
- Lettings and Right to Buy Section – for queries on Right to Buy, on garage lettings and plots on garage sites
- Community Protection Team – for reports of anti-social behaviour about leaseholders, owner occupiers and private tenants
- Finance Section – For building insurance queries/claims
- Revenue and Customer Services – for queries in relation to leaseholder charges including ground rent queries, annual service charge queries, district heating charges and grounds maintenance charges
- Environmental Services Team – For grounds maintenance (communal grass cutting) services and refuse collection/waste and recycling (including Garden Waste Collection)
- Revenues and Support Section – For queries in relation to Housing Benefit and Council Tax Support

Your first point of contact is the relevant Department above by contacting 01623 450000.

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 to the external 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 shared 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 exclusive to the leaseholder's property including the annual gas servicing and any repairs.
The maintenance of communal heating systems	Fences and boundary walls that have been sold to the leaseholder as indicated in the lease agreement.
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 exclusive to the leaseholder's property.
The provision of an adequate buildings insurance policy.	Replacement of glazing, damage to internal frames and internal cleaning of windows
External sewers and drains.	Any additions to the original structure that you have made with our consent including conservatories, porches and sheds.
Maintenance of communal doors and the door entry systems that serve the block.	The freezing or bursting of internal pipes.
Fire safety equipment.	Internal wall coverings as well as internal and front door to their property, tiles and skirting boards and the like.

External Window frames	
Maintenance of outbuildings including doors and fittings where they have not been conveyed with the flat.	<p>Outbuildings are the responsibility of the leaseholder where they have been conveyed with the flat.</p> <p>Apportionment of costs is related to the proportion of the communal block.</p>

- 6.3 In some instances, following surveys, listening to residents or whilst routine repairs are being carried out we identify the need to carry out major repair and improvement projects. This work may include replacement windows or roofs or installation of door entry systems.
- 6.4 As the landlord, we are responsible for ensuring the gas safety of all residents in the block. As a leaseholder, it is essential that you have your gas appliance/s serviced annually. As part of Ashfield District Council's Home Improvement Scheme, we are able to carry out Annual Property Health and Safety Check to your home at a competitive rate. In order for you to take advantage of this service, you should contact Ashfield District Council on 01623 457999 and we can provide you with a free, no obligation quotation for the required works. Alternatively, you may choose to employ a different company to undertake these works on your behalf.
- 6.5 It is your responsibility to ensure that the smoke alarm fitted in your home in good working order and operational at all times. Please test it on a regular basis. It is important for all leaseholders to be aware of fire safety and how to prevent fires in your home. For more guidance on Fire Safety refer to <https://www.lease-advice.org/topics/?topic=fire-safety>
- 6.6 You should report repairs **for which the Council is responsible** either by phone, e-mail or in person.
- 6.7 The Council has an Emergency Repair Service to deal with emergency repairs outside of normal working hours that are the Council's responsibilities identified in 6.2 Telephone: 01623 457999.

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.
- Communal Heating

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 -The service charge year runs from 1st April to 31st March and service charges are payable in arrears. After the end of the financial year the Council will raise an invoice for the actual service charge incurred. See Section 8 for ways to pay.

7.3 Ground Rent - All leaseholders pay £10 per year which is invoiced, in advance, on the 24th March annually.

7.4 As a condition of your lease the Council is obliged to provide comprehensive **buildings insurance** for your property with a reputable company. The costs for this is included in the annual invoice that you receive as a leaseholder.

7.5 The insurance does not cover the contents of the leaseholders' property and contents and you should have the appropriate contents insurance in place.

7.6 Major Works, Planned Maintenance and Improvements

- 7.6.1 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.
- 7.6.2 The Council undertakes major works 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.
- 7.6.3 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 Billing and Payments

- 8.1 There are a variety of options for making payments: When paying an invoice, you can choose to pay it in full or you can request to pay in instalments. With major works and improvements, extended payment terms can normally be arranged. When paying your invoice, there are many payment options available to you. The payment methods are:
- Direct Debit - we now offer a range of payments options dates
 - Post - by Cheque quoting your invoice number
 - Online payments via our website go to <https://www.ashfield.gov.uk/residents/pay-for-something> using your invoice reference number
 - Over the phone – our automated 24-hour Pay line on Freephone 0800 090 2223.
 - At your own Bank using the invoice with our bank details
- 8.2 **Problems paying your invoices** - If you receive an invoice from Ashfield District Council and you are struggling to pay, they may be able to set up a payment plan if you cannot pay immediately. Please contact the Revenues Enforcement Team on 01623 457325.
- 8.3 **Failure or refusal to pay** - Your lease is a legally binding document and by signing your lease you have agreed to pay the costs that Ashfield District Council incur to manage and maintain your property and block. By refusing to pay, you are breaking the terms of your lease and we can go to court to seek judgement against you. In extreme cases, the court may decide that you have seriously broken the terms of your lease and give us possession of your flat. In some cases, we may decide to inform your mortgage lender of the non-payment. If we do go to court, or your mortgage lender, this will incur costs increasing your financial problems. It is therefore very important that you work with us to sort out any problem before it escalates. In addition, this could also impact on your credit history.
- 8.4 **What if you do not agree with the charges?** - We always aim to calculate charges fairly and correctly, but if you think we have made a mistake or have charged you for works you feel have not been carried out, or is substandard, please contact the relevant Section who will investigate and respond to your query or complaint. You also have the right to apply to an independent Leasehold Valuation Tribunal and both parties will abide by their decision. However, the tribunal can make a charge to hear your case. For further information you can contact the Leasehold Valuation Tribunal direct whose contact details are listed under useful contacts in this handbook.

9.0 Selling or letting out your home

9.1 **Assigning your lease** – You do not require the Council's permission to sell your flat. **However it is a requirement of your lease that the Council are notified of the sale within one month of the completion taking place.** This needs to be done by way of a formal notice of assignment services by the purchasers' solicitor to Ashfield District Council's Legal Services. There is a fee for serving a Notice of Assignment which will be outlined in your Lease. The notice of assignment is required in order to update our records. If no notices are received, you could still be liable for any charges against the property.

9.2 **Pre-sale information pack** – Prior to the sale of your property you are recommended to obtain from Ashfield District Council's Legal Services team a pre-sale information pack. This is normally requested on your behalf by your solicitor. The pack contains information that your buyer will need to know, for example:

- Three years' service charge accounts
- Details of any money owing
- Information on the buildings insurance policy
- Planned major works and improvements
- Any other relevant information

Your solicitor should request this pack as soon as possible to avoid undue delays. We do however attempt to respond to these enquires within 30 calendar days. There is an administration fee for providing this pack. Our current fee can be obtained by contacting Legal Services.

In some instances of re-mortgage the above information will also be required and this is subject to the same administration fee.

9.3 **Buying the freehold of the block** – The Leasehold Reform Act 1993 (as amended) provides the right for leaseholders through a collective enfranchisement to purchase the freehold of the block they live in from the landlord.

To have the right to take part in the enfranchisement process you must be a 'qualifying tenant'. This means you must be a long leaseholder of the flat and you can only buy the freehold with a group of other 'qualifying tenants' providing the building satisfies the following criteria:

- There must be two or more flats in your building. If there are only two flats in the block, both must participate in the exercise;
- At least two thirds of all the flats in the building must be held on long leases;
- Not more than 25% of the internal floor area (apart from common parts such as stairs) of the building is in non-residential use or intended for non-residential use;
- The number of tenants participating must also equal at least half the flats in the block.

The process of enfranchisement can be very complicated and you are recommended to obtain independent legal advice prior to any application. If you purchase the freehold of your block then Ashfield District Council would no longer be your Landlord and as such you would all be responsible for the management, maintenance and insurance costs for your block.

For further information on buying the freehold of your block, please contact Legal Services who will arrange to discuss the matter in further detail.

10.0 Leaseholder Involvement

10.1 Tenants' and Residents' Association (TRA) or Community Associations (CA) – These are local groups run by people who live on particular estates. They have a range of activities and meetings focusing on making their area a better place to live and ensuring that it has a voice. They act as important channels of communication between their estate and us. For further details please contact our Housing Management and Tenancy Services Section on 01623 608999.

10.2 Comments, Compliments and Complaints – Our aim is to provide excellent services so if something goes wrong we want you to tell us. We also like to hear from you when you're happy with our services! We use very compliment, comment or complaint we receive as a chance to the change the way we deliver services.

You can send us your compliments, comments or complaints by phone, e-mail, and letter or by visiting one of our offices or through our website at www.ashfield.gov.uk or via email to ahmail@ashfield.gov.uk. You could also get someone else to send us compliments, comments or complaints on your behalf.

We aim to respond to your complaint within 10 working days. If we cannot respond fully in that time, we will acknowledge your complaint and tell you who is dealing with it, and when you can expect a full response.

10.3 Leaseholder Service Standards – At Ashfield District Council we aim to provide decent homes and people focussed quality services. This handbook sets out what you can expect in respect of leasehold management.

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.ashfield.gov.uk/your-council/legal-stuff/data-protection-act-2018-and-general-data-protection-regulation-2016/>

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 - <http://www.ashfieldca.org.uk/>

Citizens Advice Ashfield

Ashfield Health and Wellbeing Centre

Portland Street

Kirkby-in-Ashfield

Nottinghamshire

NG17 7AE

Debt Advice

Tel: 01623 784385

Email: debt@ashfieldca.org.uk

Telephone Advice

Tel: 03444 111 444

13.0 Contacting Us

Online on our website: <https://www.ashfield.gov.uk/>

In person at the Ashfield District Council offices at either Urban Road, Kirkby-in-Ashfield, Nottingham NG17 8DA or Brook Street, Sutton-in-Ashfield, Nottingham NG17 1AL.

Tel – 01623 450000

Email: ahmail@ashfield.gov.uk