

LEASEHOLD MANAGEMENT POLICY

1. PURPOSE

Black Country Housing Group provides services for leaseholders of flats and apartments sold under the Right to Buy (RTB) scheme and the purchasers of shared ownership apartments. This Policy sets out the framework for a customer focused service which offers value for money and consults service users.

2. OBJECTIVES

The key objectives of the Leasehold Management Policy are:

- To make sure we communicate with leaseholders with accurate, timely and clear information and advice.
- To consult leaseholders in line with requirements of their leases.
- To comply with all relevant legislation, regulatory guidance, and Codes of Practice, and to learn from good practice.

3. DEFINITION

'Leasehold Management' covers the range of services provided by us to those who occupy property on a leasehold basis, where we are the freeholder i.e. flats sold under the RTB and shared ownership apartments.

4. LEGAL AND REGULATORY FRAMEWORK

The legislation relevant to the Leasehold Management Policy includes:

- The Landlord and Tenant Acts of 1985 and 1987
- The Housing Act 1996

Other relevant legislation includes:

- The Property Misdescriptions Act 1991
- The Consumer Protection Act 1987
- The Law of Property Act 1925
- The Unfair Terms in Contracts Regulations 1999

5. RELATED DOCUMENTS

- Estate Management Policy
- Allocation of Shared Ownership Policy
- Right To Buy Procedure

6. ROLES AND RESPONSIBILITIES

The Head of Housing and Head of Property Services are responsible for the overall implementation of this Policy. Housing Officers will be the main point of contact for leaseholders and will work in close co-operation with other teams to make sure we deliver a prompt and efficient service.

7. POLICY CONTEXT

Leaseholders pay a 'fixed service charge', therefore the requirement of Section.20 of the Landlord and Tenant Act 1985, as amended by the Common Hold and Leasehold Reform Act 2002 to consult does not apply. These regulations only apply to residents paying 'variable charges'.

We will however comply with all relevant legislation and the terms of individual leases, whilst recognising that legislation takes precedence over individual leases.

We will provide our leaseholders with all relevant and necessary information, for example this will include:

- A copy of their lease
- An annual service charge invoice with a summary breakdown of service charge costs
- Online access to their statement of payments made to us

We will on request provide:

- A copy of the building insurance
- A copy of the communal services specification

7.1 CONSULTATION

We will consult with Leaseholders as we see this as good practice, but on the understanding that Section.20 of the Landlord and Tenant Act 1985, as amended by the Commonhold and Leasehold Reform Act 2002 does not apply. We will consult leaseholders on:

- Any new services we wish to introduce
- The extent and cost of services and works which are estate specific and whether leaseholders are required, under their lease conditions, to contribute towards them
- Proposed changes to arrangements for maintenance, management or service provision which could have a substantial effect on leaseholders

7.2 CHARGES

We will make reasonable management and administration charges as allowed in the lease. We aim to charge actual costs wherever possible and to give Leaseholders information on what this covers.

Where leases allow payment of service charge to fund future major repairs, these will be held in a separate sinking fund.

We will be guided by individual leases which pre-determine when services charges are due. We will provide a wide range of payment options which includes Direct Debit, Standing Order, Debit Card, Credit Card, Online and where appropriate, the use of Allpay payment card.

If there is any disagreement with the charges, Leaseholders have the right to appeal using our complaints procedure. We will also tell them that they have the right to apply to the Leasehold Valuation Tribunal if they are unhappy with our response.

8. ARREARS RECOVERY

The arrears recovery process will follow fixed stages up to legal action in appropriate cases. We follow fully written procedures. Legal action will be taken through the Small Claims Court after an initial financial risk assessment and court costs will be recharged to the Leaseholder.

9. RIGHT TO MANAGE

Leaseholders have the right to manage the practical day to day responsibilities of the building their flats are in from us. This will only apply where the following legal requirements are met:

- At least 2/3rd of the flats in the building are sold on long term leases
- More than 50% of those leaseholders agree to this
- Commercial activities must not exceed 25% of the floor space

Requests for the right to manage will be dealt by the Head of Housing.

10. MONITORING

We will monitor the requirements of this Policy by:

- Frequent site inspections by staff to ensure services are being provided to the agreed standard. Where the standards drop below our expectation, appropriate prompt action will be taken to address the issue.
- Feedback from any consultation exercise

11. STAFF TRAINING

The success of this Policy and the quality of services to Leaseholders depend on the knowledge of the staff on leasehold matters. Staff will be well-trained and kept up-to-date with changes in the law. Staff will be encouraged to seek advice as appropriate, especially in understanding the terms of our leases.

12. APPEALS

Any leaseholder who has a complaint about the services provided by us will have the right to follow the Complaints Procedure. If the matter cannot be resolved with us they can go to the Leasehold Valuation Tribunal to govern the “reasonableness” of service charges.

13. REVIEW

We will review the Leasehold Management Policy and accompanying procedure periodically in consultation with Leaseholders. The review will ensure that this Policy takes into account:

- Changes in statutory guidance and developing good practice
- The feedback from leaseholders in surveys and through monitoring of complaints

Date Reviewed	March 2015	Next Review Date	March 2017
Reviewed By	R Malhan	Approval By	
Equality Impact Assessment		Responsible Officer	Head of Housing
Distribution	Website/Extranet/Teams/Schemes	Version No.	02

Appendix 2: Equality Impact Assessment

1. The Policy

Is this a new or existing policy?	New policy
What is the purpose of the policy?	<p>For the purpose of this Policy a Leaseholder is defined as those who occupy property on a leasehold basis, where we are the freeholder i.e. flats sold under the RTB and shared ownership apartments.</p> <p>The purpose of this policy is to provide a framework to enable staff to:</p> <ul style="list-style-type: none"> • Understand how to comply with legal requirements in our dealings with Leaseholders • Confidently communicate with leaseholders with accurate, timely and clear information and advice.
What outcomes are being sought from this policy?	<p>Our outcomes are:</p> <ul style="list-style-type: none"> • To give confidence to Leaseholders on the services charges we levy • To reduce any disputes over the charge • To provide an excellent service to all our residents regardless of tenure
What qualitative data do we have on the respective groups (e.g. discussion groups, customer profiling information)?	<p>We have customer profiling data from which we can identify any vulnerabilities or particular concerns within a location. We have received feedback from individual Leaseholders and used the lesson learning from two complaints to shape this policy.</p>

2. Impact

Protected Characteristic	Positive Impact	Negative Impact	Reasons for decision
Age			<p>Average age of Leaseholders is 60 due to the age restrictions applied at the schemes where properties were purchased.</p> <p>Information is limited on any special requirements. This will need to be gained through consultations.</p>
Disability	√	.	<p>There is limited assistance available to Leaseholders through floating support services as some agencies make a distinction on tenure type. We will work with a wide range of groups that help and support those with disabilities i.e. – Mind and RNID. We have a First Stop that can provide support and Home force that can give assistance with aids and adaptations. We have domiciliary care services that provide assistance to those that require it.</p>
Race	√		<p>The policy is inclusive of people from all backgrounds whatever their race. Of the 30 leaseholders our profile shows: 27 British/white; 5 British/ Black and 2 Asian, this is representative of the communities we work in.</p>
Gender reassignment		Under reporting & difficulties in profiling	<p>We use customer profiling to carry out equality checks and ensure that no group is disproportionately represented</p>
Married/Civil Partnership	√		<p>Our Leases recognise rights of same sex couples.</p>
Religion and Belief	√		<p>The policy is inclusive of people from all religions and beliefs.</p>
Gender	√		