

**Cheshire West and Chester Council**  
**Housing Management**

**Home Ownership/Leasehold Policy**

**1 MANAGEMENT INFORMATION**

Approval Date – V2	28 <sup>th</sup> June 2024
Next Review Date	28 <sup>th</sup> June 2027
Responsible Service Area	Strategic Housing and Commissioning
Responsible Director	Gemma Davies, Director of Economy and Housing

**Aim of Policy**

This policy applies to all housing management services delivered on behalf of Cheshire West and Chester (CW&C) Council.

ForHousing will deliver leasehold services (on behalf of CW&C) that provide equal standards of service and customer care to leaseholders and will meet responsibilities to leaseholders under the terms of each property’s lease agreement. ForHousing will also provide excellent quality management and relevant maintenance of leaseholders’ homes, administration of service charges and compliance with all relevant legislation, regulation and good practice.

**Policy**

**Definition**

Leasehold covers the range of services provided by ForHousing to those who occupy property on a leasehold arrangement with CW&C. Leases granted under the Right to Buy or Preserved Right to Buy.

**Lease**

The lease is a private contract between CW&C and the leaseholder. It will include the following information:

- Details of both CW&C, and the leaseholders, rights and responsibilities for the property, including the structure and the common/communal parts.
- Information included in the service charge, how it is calculated and when payment is due,
- Responsibility for insuring the property,
- Procedures for assigning the lease; and

- How the lease can be ended and/or extended.

A welcome pack is also provided to all new leaseholders in their preferred format which provides general information on service charges, building insurance and general information about being a leaseholder.

## **Service Charges**

CW&C will make a charge for a range of services provided to a block. These charges may include; caretaking, communal cleaning, grounds maintenance, communal lighting, maintenance of lift, door entry phone, wherever such services are provided to the block, as well as the day to day repair and maintenance of the fabric of the building and common areas.

ForHousing on behalf of CW&C will provide leaseholders with an estimate of charges before the 30<sup>th</sup> April of each financial year, so that leaseholders are aware of any proposed changes in service or service charge levels. Leaseholders should plan their finances accordingly.

Leaseholders pay an appropriate proportion, as determined by the lease of the overall amount for services provided to the 'Development' The Development is described in each lease and may cover an area larger than a single block of flats. Leaseholders have the right to appeal to the First Tier Tribunal (Property Chamber) if they believe that the services or the cost of these services are not relevant or reasonable. Leaseholders are required to pay the annual charge upon demand.

ForHousing will send leaseholders details of their service charge accounts annually. Which will be sent out before 30<sup>th</sup> September each year. ForHousing will provide all leaseholders with a breakdown of how the annual service charge is calculated. Any under-spend on the previous year is refunded and any overspend is added to the following years' charges.

Any leaseholder who falls behind with payments will be contacted promptly by ForHousing and appropriate action for arrears recovery will be taken in accordance with ForHousing's Leaseholder Service Charge Collection and Arrears Procedure.

ForHousing will use discretion to leaseholders in genuine financial difficulties. If leaseholders are unable to pay the cost of the services charges in full within the 28 days, ForHousing will explore alternative payment options available to the leaseholder.

ForHousing will assess each case individually and, depending on the circumstances, may consider a repayment agreement. Where ForHousing is satisfied that appropriate courses of recovery action have been taken by staff and service charges remain unpaid, legal proceedings will be considered. A number of legal measures would be considered for persistent failure to pay service charges including forfeiture (possession) in accordance with the lease.

## **Management Fees**

CW&C reserve the right to recover the costs for managing leasehold properties. Management fees will cover costs for providing general administration and the day to day running of the leasehold services.

## **Building Insurance**

CW&C have a responsibility as landlord to provide buildings insurance. It provides cover for

the structure of the building, the full details of which will be explained in the policy documents provided with the annual estimated charges.

## **Ground Rent**

CW&C will observe the statutory requirements in respect of ground rent as provided within the Commonhold and Leasehold Reform Act 2002. A lease for a residential property may specify that a leaseholder is required to pay ground rent to the freeholder. The amount of ground rent payable, the date(s) it is due and any provisions to review the amount will be set out in the lease. This will usually be £10 payable in advance on the 1<sup>st</sup> April each year. If the lease does not specify the ground rent is payable then CW&C will not charge a leaseholder.

For all properties where ground rent is to be collected, ground rent demands will be sent annually in line with the lease agreement. Our ground rent statements will comply with the requirements of the Commonhold & Leasehold Reform Act 2002.

## **Consultation**

ForHousing will consult leaseholders on any proposed changes to arrangements such as management or service provision which could have an effect on them. ForHousing will provide various methods for the leaseholders to interact with the Home Ownership Team.

## **Breach of Lease**

ForHousing will take appropriate action whenever it becomes aware that a leaseholder is acting in breach of the terms of their lease, which may include:

- Non-payment of ground rent, repairs, major works or service charges
- Unapproved works to the home or building
- Improper use of the home or building
- Failure to maintain, or damage to the premises
- Refusal of access to ForHousing staff and/or their agents
- Anti social behaviour including harassment, or neighbour nuisance

In all such cases ForHousing will work with the leaseholder to resolve the issue. However, if the breach continues legal action could be taken which may include seeking an injunction, or action for the forfeiture of their lease.

## **Lease Extension**

Any requests can be directed to ForHousing by email [Hello@forhousing.co.uk](mailto:Hello@forhousing.co.uk). Or by contacting us on 0300123 55 22.

## **Rechargeable Repairs**

CW&C will meet its contractual requirements as set out in the lease for repairs and CW&C will meet its contractual requirements as set out in the lease for repairs and maintenance to leasehold properties. This is usually limited to repair the external fabric such as external walls, roofing and guttering for flats. This would also include communal areas in blocks of flats. No such obligation would arise if the leasehold property is a house.

Where a repair has been identified, that is the responsibility of CW&C, this will be charged back to the leaseholder through the annual service charges and leaseholders will receive a statement. The cost will be apportioned in line with the definition of the Development as per

the lease, as an example if the Development covers a block of 4 flats, the leaseholder will be charged  $\frac{1}{4}$  of the total cost of the repair.

Where Damp and Mould is found by the leaseholder and reported to ForHousing. ForHousing will carry out an inspection of the building to check the cause of the Damp and Mould to ensure it is not caused by any failings in the structure of the building. Such as the roof, gutters or damp-proof course. If it is found to be a result of the structure of the building ForHousing will organise for the repairs to be carried out to rectify the fault and recharge back to the leaseholder as per the lease.

Any Damp and Mould issues not caused by the structure of the building such as defective ventilation/heating etc is the responsibility of the Leaseholder to rectify.

Where works are planned that will cost the Leaseholder over £250 Forhousing will follow section 20 legal guidance and process.

## **Home Improvements**

We understand leaseholders may want to carry out home improvements to their home from time to time. Leaseholders are required under the terms on their lease to obtain consent from ForHousing, ForHousing will request that a Home Improvement Application Form is completed by the Leaseholder to explain their proposals for improvement. ForHousing would where possible allow permission unless there is a good reason to refuse this. ForHousing would provide a full explanation where consent has not been granted.

## **Equality and Diversity**

ForHousing give leaseholders the opportunity to complete a leaseholder form which includes equality and diversity questions along with general contact information. This will enable ForHousing to take into account any identified equality and diversity needs when delivering a service to an individual leaseholder.

## **How the Policy will be delivered**

The delivery of this policy and associated procedures will be the responsibility of ForHousing. This Policy will be available to all employees through the intranet and regular training will be provided to relevant employees on all policies and procedures.

If staff become aware that there are problems with effective operation of the policy or the associated procedures, they should report this to the policy owner. This feedback will be incorporated into the policy / procedural review process.

## **Related Documents**

This Policy should be read in conjunction with Group member policies and procedures in the following areas:

- CW&C Anti-Social Behaviour Policy
- ForHousing Leasehold Major Works Policy
- ForHousing Leaseholder Service Charge collection and arrears procedure
- ForHousing Section 20 procedure
- Neighbourhood Management Policy

## Inclusive Decision-Making Framework (IDMF) Analysis

Date of approved IDMF analysis	Approved by Programme Director 19.12.22 Submitted to EDI Excellence Group 19.12.22
Actions taken forward to mitigate any potential negative impact	None identified

## Equality Analysis (Tenants)

Results of EA / Actions taken forward to mitigate any potential negative impacts	Policy document to be provided in alternative formats.  ForHousing staff to undertake equality and diversity training on an ongoing basis to support the delivery of this policy.
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## Data Protection Impact Assessment

### Data Protection Impact Assessment (DPIA)

Under the UK GDPR and the Data Protection Act 2018, you are required to carry out a DPIA when developing a new Policy or Procedure that will have a widespread or serious impact on data held on individuals. Careful consideration should be given as to whether the policy or process will have an impact on any processing of personal information that is large scale, involves profiling or monitoring, decides on access to services or opportunities, or involves sensitive data or vulnerable individuals. Information and support regarding this can be obtained from the Data Protection Officer (DPO).

Has a DPIA been completed?	Yes
If a DPIA has been completed, was the DPO consulted?	Yes
If a DPIA has been completed, were any risks identified?	No
If risks were identified as part of the DPIA process, have mitigations been identified?	N/A

## Monitoring Arrangements

Delivery of home ownership services will be measured using existing methods including continued monitoring of:

- Satisfaction with services
- Redress levels and satisfaction with resolution
- Performance and Service Standard levels

If staff become aware that there are problems with effective operation of the Policy or the associated procedures, they should report this to the Policy Owner. This feedback will be incorporated into the policy / procedural review process.

## Control Data & Approval History

Policy owner:	CWaC: Lucy Heath, Head of Housing
Next review date:	28 June 2027

Issue	Approved by	Date
Approval V1	Cabinet Member for Housing	28 July 2022
Approval V2.1	Cabinet Member of Homes, Planning and Safer Communities	28 June 2024

## Document Revision History

Date amended	Version number	Key changes
	1	Original version
	1.2	Revised version following tenant feedback: <ul style="list-style-type: none"> <li>• Neighbourhood Management Policy added as a related document.</li> </ul>
May 2024	V2	<ul style="list-style-type: none"> <li>• Removal of Civic Way office address due to closure</li> <li>• Information about damp and mould, inspection and action undertaken.</li> </ul>
28 <sup>th</sup> June 2024	V2.1	Revised version following tenant feedback: <ul style="list-style-type: none"> <li>• Improved layout of policy document.</li> <li>• Made clear timeframe for service charges.</li> <li>• Information provided about Section 20.</li> <li>• Information provided about non-digital methods of communication and consultation.</li> <li>• Made clear that this policy document can be provided in alternative formats.</li> <li>• Informed about the ongoing equality and diversity training being provided to staff in the delivery of this policy.</li> </ul>