

Leasehold

Customer Guide



Contents

Introduction	1
Welcome	3
Our service standards	4
Who to contact	5
About your lease and shared ownership	7
What is a lease?	8
Where can I find a copy of my lease?	9
What is a leaseholder?	10
How do leases work?	11
How is a lease different from a normal tenancy?	12
Shared ownership	13
Services	15
Staircasing	16
Rent	17
Service charges	18
Service charges, continued.	20
Service charges, continued.	22
Section 106 and do-it-yourself shared-ownership (DIYSO)	23
Your responsibilities as a leaseholder	24

Our property management service	26
Insurance	27
Repairs	28
Estate services	30
Major work and cyclical decorating	31
Defects in new buildings	32
Paying service charges and rent	34

Leasehold policy **37**

Alterations and improvements	38
Subletting	39
Keeping pets	40
Neighbour disputes	41
Antisocial behaviour	42

Useful information for leaseholders **45**

Complaints about our service	46
Buying the freehold of your house	47
Self management of your block of flats	48
Extending a lease where we are the freeholder	49
How to get involved	50
Administration charges	52

Introduction

Welcome



This guide aims to explain how leases work in general, but also what it means to be a leaseholder with Notting Hill Housing. The information contained in the guide was up to date when it was published. We will put any changes to the information on our website.

We exist to provide homes to people who might otherwise not be able to afford them. One of the ways we do this is by developing homes for sale, including through shared-ownership. This allows us to raise money which we can then invest in developing homes for people in greater need – our tenants who rent.

We started in 1963 when a group of volunteers got together to help house poor families in the Notting Hill area of London. Since then we have grown to be one of London's leading housing associations, with over 25,000 homes throughout the capital. Currently, over 6500 of these are leasehold homes.

We want to continuously improve the level of service we provide. And one of the best ways for us to do that is to listen to your views. At the end of this guide we explain how you can give us feedback.

If you have recently bought your new home, we would like to welcome you to Notting Hill. If you are an established resident then we hope you will find this guide useful.



Our service standards

The following standards apply to leaseholders who live in properties that we own and manage.

- To provide a good property management service
- To be easy to do business with
- To deal with enquiries effectively
- To respond positively when you have a problem or complaint
- To listen to your views and respond to them

We measure our performance against these service standards by carrying out phone surveys every three months. We will publish the results of these surveys on our website and in our newsletter.

We also have performance standards for communication:

- We will return phone calls within one working day
- We will respond to emails within five working days

Who to contact



If you have any questions or comments about property management you should speak to your Property Management Officer. This will include questions about extending your lease, service charges, payments, arrears, repairs and other services specific to your block.

You can find out who your Property Management Officer is by calling **020 8357 5000** or going to our website at **www.nottinghillhousing.org.uk/about-us/contact-us/officer-finder**. You will need to enter your postcode.

If you are a shared-ownership leaseholder and want to ask about staircasing (increasing your share) or selling your home, phone our ReSales Team on **020 8357 4764** or send an email to **sales@nhhg.org.uk**. Or you can visit our website at **www.nottinghillhousing.org.uk/customers/leasehold/information-for-leaseholders/selling-your-home**.

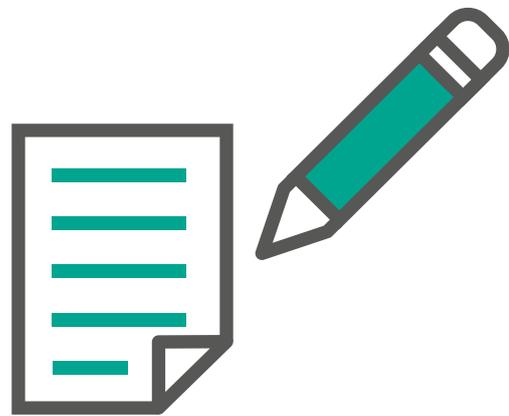
About your lease and shared ownership

What is a lease?

A residential lease is a tenancy agreement for a term of 21 years or more. It gives the leaseholder the exclusive right to live in a property for a set term. Most leases are for a term of 99 or 125 years.

A lease is a specific type of contract called a deed. It sets out the terms of the contract between the landlord and the leaseholder. It is very important that you have read and understood your lease, as once it is signed it cannot usually be changed.

It is the lease, not the actual structure of your home, that you have paid for. Make sure you have read and understood what you are signing.



Where can I find a copy of my lease?

Your solicitor should have given you a copy of your lease when you bought your home.

If you have a mortgage you can get a copy of your lease from your mortgage lender. The Land Registry will also hold a copy, which you can get from www.landregistry.gov.uk. You will need to pay a fee for this.

Or you can ask your Property Management Officer if they have a copy. If they do, you will have to pay an administration fee for a copy of the lease.

What is a leaseholder?

A leaseholder is a tenant who has signed a particular type of tenancy agreement, called a lease. This means that you do not actually own the property you live in, but you have the right to live in it for the period of the lease, usually for 99 or 125 years. This gives you more security than renting privately.

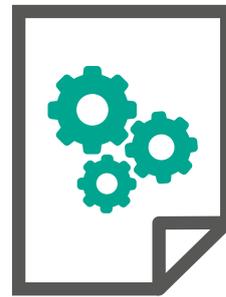
Under the lease you will have the exclusive right to live in your home, as long as you meet the terms and conditions set out in the lease.



How do leases work?

A lease allows us to grant a long tenancy (a lease) on the flats within a building. Sometimes a lease can be granted for a whole house.

We grant two types of lease – one where we own and manage the property and are the ‘freeholder’, and one where we have bought the lease to a property from the property owner and have granted a sublease to you.



Under the leases we grant:

- we may manage the properties ourselves;
or
- a separate managing agent will manage the properties.

This guide focuses on properties we manage directly.

Your lease will tell you which type of lease you have and who your landlord is.

How is a lease different from a normal tenancy?

With a normal tenancy, you would pay a landlord rent for the right to live in your home. Under the tenancy agreement, the landlord would be responsible for repairing the home and the building it is in. Under a lease, you are responsible for all repairs within your home, but not for repairs to the building and other services provided to all homes in the block. Instead your landlord carries out this work and you pay a service charge to cover the costs.

With a lease, the landlord is responsible for managing, maintaining and insuring the building your home is in, but this is paid for by the service charge paid by all leaseholders.

You will be billed for your service charge in advance. The proportion of service charge you are required to contribute will either be stated in your lease, or may be based upon the size of your flat. If you do not pay your service charge, there may not be enough money for the landlord to provide their services. Under a lease, a landlord will only have to manage and maintain the building if service charges are being paid.

If you are the first leaseholder of a newly built home, you will have been granted a new lease for the full term (usually 99 to 125 years). If you are a leaseholder for a property that has already had a leaseholder, the original lease will have been transferred to you. (This is usually referred to as a resale.)

The name (or names) on the front of the lease will be that of the original leaseholder. The lease gives you the right to live in the property for the remainder of the original term of the lease. So, as the number of years left on the lease reduces, you may want to think about extending it (there is more information on this later in the guide).

For some leases you may have to pay a type of rent called 'ground rent' for the land the property is on.

If you have become a leaseholder through sharedownership (commonly referred to as part-buy/ part-rent), you will also have to pay rent on the remaining share of the property. It is important to realise that the rent you pay does not cover any services we provide to you or the building. You still need to pay for this separately through your service charge.

Shared ownership

Shared-ownership has become a widely used term, but it really refers to the fact that the equity in your home is shared. It does not mean that the responsibility for your home is shared. Whether you became a leaseholder through open market sale or through a sharedownership scheme makes no difference; you are still a leaseholder.

A shared-ownership lease will be mainly the same as any other type of lease, but it will include extra conditions relating to staircasing (see below), selling the lease and paying rent. If you are a shared-ownership leaseholder, you will still be responsible for paying 100% of the costs associated with the property (for example, the cost of repairs and decorating).

Services

Staircasing

This is what we call it when shared-ownership leaseholders buy a further share of the right to their home. Whether or not you can buy a further share will depend on the lease. If the lease allows you to increase your share, you can do this at any time.

You can increase your share by as little as an extra 10%, up to 100%.

To buy more shares, you need to get your home valued. The price of the share you buy will be calculated as a percentage of the full, current market rate.

What do new shares cost?

The cost of the extra share you buy will reflect the market value of your home at the time.

You will need to arrange for an independent qualified valuer (not an estate agent) to provide a valuation. They will tell you the current market value of your home and fix the price you will need to pay for further shares.

The valuer will ignore any improvements you've made to the home that increase its value. This is so that you will not pay again for the improvements. You will have three months from the date of your valuation to buy the increased share.

Example:

If you own a 50% share and the full value of your home is £100,000, the price of the remaining 50% share will be 50% of £100,000 = £50,000.

If you have made improvements that affect the value, they will be valued separately.

How will my rent change after staircasing?

Once you've bought extra shares, your rent will go down in proportion to the share you have bought. For example, if you increase your share from 50% to 75%, your rent will halve (you will pay rent on 25% of the property rather than 50%).

If you increase your share to 100%, you will stop paying rent. However, you will still have to pay the service charge.

Are there any other costs?

Yes. As well as paying for the extra share, you'll have to pay some other costs. They include the following.

- The independent valuer's fee
- Your solicitor's fees
- The cost of your mortgage lender's valuation

For more information, phone our customer sales team on **020 3815 2407** or email staircasing@nhhg.org.uk.

Rent

There are typically two types of rent that you may have to pay.

Shared-ownership rent

If you got your lease through shared ownership, you will pay rent for the remaining share of the home.

The rent you pay does not cover any of the services provided under the terms of the lease, so you must still pay the full service charge.

Your lease will state how and when your sharedownership rent may be increased. Usually the rent is increased every April in line with inflation in the previous year.

Ground rent

This would be set at the start of the original lease. Ground rent is usually due for payment on 1 April unless your lease specifies another date. We will send you a payment demand to remind you to pay the ground rent. If ground rent can increase during the life of the lease, this will be explained in the lease.

Service charges



You will have to pay a service charge to cover the costs associated with the building your home is in and the shared parts.

The service charge will typically cover the following.

- Buildings insurance
- A management fee
- Electricity used in the common parts
- Servicing and maintenance of lifts
- Fire risk assessments
- An audit fee (the cost of auditing your accounts)
- Cleaning shared areas
- Gardening and grounds maintenance
- Repairs to shared areas
- Lighting shared areas
- An amount to be transferred to a reserve fund for major repairs in the future

All service charges are held separately from a landlord's other funds and can only be used for the purposes set out in the lease.

Setting the service charge

Your lease will usually require you to pay in advance towards the cost of running the building. This is so that there are available funds

to cover any costs. Your lease will probably allow you to pay monthly, but some leases may require payment at different intervals during the year. It is therefore important that payments are made so that services can be provided. The monthly (or otherwise) service charge that you pay is based upon an annual estimate in advance.

Nobody can know all of the costs that may be incurred by a building in advance of a year. On new buildings this is even more difficult. So whoever manages the building will have to make an estimate. This is the annual service charge estimate and is what your monthly service charge contributions are based on.

Throughout the year services will be provided based upon the original estimate. Of course there can quite easily be events that occur that will result in unforeseen costs. This can be due to fluctuations in energy costs or through repairs.

The best way to estimate the costs for the coming year is to review the actual costs for previous years. This will usually provide the best indication of where money is being spent. Obviously this will not be possible on newly built buildings, so for the first three years the service charge can change significantly from year to year. If you have been granted a lease to a property in a new building you should take account of this when considering whether you can afford the lease.

Accounting for service charges

Each year you will receive a statement showing how the services charges have been spent. Statements are usually issued six months after the end of the previous financial year. The statement will show the costs estimated for the previous financial year and how much was actually spent. The actual costs can be more or less than the estimated costs.

The statement will also show if any amount has been collected and put into a reserve fund to cover the future costs of major work. More information on reserve funds is given below.

If the actual costs for a year were more than were estimated, then there will be a shortfall in the accounts. If this is the case then each leaseholder will be billed separately bill for their share of the costs above the estimate.

If the actual costs for a year were less than were estimated, this will result in a surplus on the account. What happens with this surplus depends on the lease, but it can either be refunded back to individual leaseholders payment accounts or transferred into the building's reserve fund.

Reserve fund

If your lease states that some of the money raised from service charges can be paid into a reserve fund, that fund will pay or contribute to the cost of major work in the future.

The types of work that can be paid for from the reserve fund can include, but are not limited to, the following.

- Repairing the roof
- Replacing windows
- Protecting and decorating the outside of the building
- Decorating shared areas

The work can be significant, and attract other costs such as VAT, scaffolding costs, surveyors' fees, management fees and local authority fees. These are also paid from the reserve fund.

There are usually two reasons for maintaining such a fund. The first is to ensure that all occupiers contribute to major works, not just those who are in occupation at the time they are carried out. The second is to even out the annual charges and to assist with leaseholders' budgeting.

Service charges, continued.



A full contribution by all leaseholders is the fairest way of spreading a building's life-cycle costs. To not do so puts the liability to pay on the leaseholder who is in occupation at the time, and in worst case scenarios can lead to leaseholders experiencing financial difficulties.

Property Management Officers will set a building's annual reserve fund contribution based on financial estimates that have been worked out following a stock condition survey. This contribution will make up a substantial proportion of your service charge.

Our management fee

If we manage the building your home is in, our standard management fee covers the costs of us managing the lease and the service charge. It can cover a number of items, from our office costs to staff salaries.

What the management fee covers can vary from property to property, but could include the following.

- Estimating the building's running costs
- Providing a computerised accounting system Preparing the year-end service charge accounts
- Collecting service charges and rent
- Paying contractors' invoices and other bills

- Managing insurance policies and handling claims
- Appointing, instructing and supervising various contractors, tradesmen and professional people as appropriate
- Carrying out regular inspections of the building and preparing, planning and budgeting for various repairs and maintenance work
- The responsibility of providing services such as water, electricity and gas
- Liaising with agents and other landlords where necessary
- Meeting regulatory requirements
- Dealing with reasonable enquiries received from residents
- Meeting the landlord's obligations under the lease
- Attending meetings, if necessary, with residents and other relevant people or organisations
- Carrying out health and safety work, such as following up on actions arising from fire-risk assessments

This is not a complete list, and not every item will apply to every property. But hopefully this will give you an idea of the kind of things a management fee covers.

What is not covered by the management fee?

The following tasks are not covered by the management fee, and extra fees will apply.

- Enforcing leases
- Settling disputes
- Recovering arrears
- Issuing individual licences and consents
- Managing planned decorating and major work

How we work out the management fee

The management fee is based on the following.

- Overheads (the cost of us running our business, including office bills (for example, electricity, phone and business rates), buying or hiring equipment, training staff, recruitment and work-related travel costs.
- The cost of employing staff who provide the service direct to leaseholders, such as Property Management Officers and Leasehold Managers.

Using both types of costs we can work out a flat-rate management fee for each property we manage.

Our Property Management Officers will work out the total management fee for a building or estate by multiplying the flat rate by the number of properties in the building or estate. The amount you will pay is worked out according to the method stated in your lease.

Under some leases, each property will pay an equal amount to the building's costs. However, other leases may state a percentage for particular properties, often to reflect the size of the property.

In the following example, the flat-rate management fee is £279. So in a building with 10 flats, the total management fee for the building would be £2790. But if each flat pays a different amount based on its size, what a leaseholder pays may be more or less than £279. The table below sets out an example of how this may work.

Service charges, continued.



	Share of the service charge	Amount charged to the flat
Flat 1	8.5%	£237.15
Flat 2	9.7%	£270.63
Flat 3	15.0%	£418.50
Flat 4	13.5%	£376.65
Flat 5	8.5%	£237.15
Flat 6	8.5%	£237.15
Flat 7	9.5%	£265.05
Flat 8	7.5%	£209.25
Flat 9	10.2%	£284.58
Flat 10	9.1%	£253.89
	100.0%	£2790

Disputes over the service charge

If you do not agree with your service charge you should raise this with your Property Management Officers.

It is difficult to dispute a service charge which is based on an estimate, so you should wait for your statement showing the actual costs. At this stage you can check how your service charge has been spent.

We will always try to settle any dispute as quickly as possible. If we have made a mistake, we will adjust your service charge as necessary.

If you are not satisfied with how we deal with the dispute, you can make a formal complaint. If you are still not happy after going through our complaints procedure, you can ask a leasehold valuation tribunal to settle the dispute.

Note

If the service charge for your building is set by someone else, even though you will be paying your service charge to us, we will not be able to deal with the matter. In this case we will forward your dispute to the appropriate person and let you know what they come back and say.

Section 106 and do-it-yourself shared-ownership (DIYSO)

Many of our leaseholders live in flats that are in buildings we do not own or manage. If this applies to you, we will be the 'principal leaseholder' to your flat, and will have granted you a sublease on shared-ownership terms. If we are the principal leaseholder, we may have got that lease under a section 106 agreement or as a result of the do-it-yourself sharedownership (DIYSO) scheme.

Section 106

Over the last 10 years, section 106 agreements have applied to many developments in the London area. Under a section 106 agreement, a local authority can insist that a percentage of the homes in a new development is for affordable housing. These homes can be available for rent or shared ownership.

In such a situation we could be sold leases for a number of homes in a single development. We will then grant subleases or tenancies for these properties to our leaseholders and tenants. However, the building is still the responsibility of the private developer, and they will usually have their own managing agents to provide the management services.

It may be worth noting that the owners and managing agents of these properties often pay very small contributions to their reserve funds. This means that if major work is needed in the future, the reserve funds may not hold enough money to cover the cost. In this case, leaseholders would have to arrange their own finance to pay their share of any costs due.

Do-it-yourself shared-ownership (DIYSO)

DIYSO was a scheme people could use to find properties to buy on the open market. If the property was suitable, we would buy the lease to it and grant a sublease to a leaseholder. The building would be managed by the property owner and they or their agent would issue the service charge bills.

The main difference between this and section 106 is that DIYSO properties are not all in a certain area. They are often isolated and can be spread far and wide. Section 106 properties tend to be grouped together in certain developments.

Many DIYSO properties are flats in local authority blocks, and were originally sold under the Right to Buy scheme. Most of these do not contribute to a reserve fund. This means that whenever the local authority carries out work, leaseholders will be billed for their share of the costs.

Your responsibilities as a leaseholder

You should read your lease carefully so you understand what you have agreed to. It may be that there are several leases affecting your flat, which could mean you have to read more than one.

Under most leases the leaseholder must:

- keep the flat in a good state of repair;
- take out their own contents insurance;
- pay the service charge and rent on time, and usually by direct debit;
- give contractors access to carry out essential work to the shared parts or a neighbouring flat; and
- get the landlord's permission before carrying out home improvements (for example, fitting a new kitchen).

Under most leases the leaseholder must not:

- damage, or make alterations to, the building's shared parts;
- do anything that may affect the buildings insurance;
- disturb or cause a nuisance to others; or
- carry out any structural alterations.

As a leaseholder you are responsible for any repairs inside your home, whether it is a flat or a house, even if you only own a percentage of the home.

This can include replacing items such as:

- boilers;
- cookers and other kitchen appliances;
- floor coverings;
- plumbing and electrics; and
- pipes, cables, drainage and so on serving your home.

You will need to arrange for a contractor to carry out any repairs that you are responsible for. You should have your gas appliances checked every year to make sure they are safe and to protect you from carbon-monoxide poisoning. This safety check may be a condition of your lease. We cannot recommend contractors to you, but **www.ratedpeople.com** has details of local tradespeople along with reviews of their performance.

Please note: *We are not responsible if your property is damaged as a result of a leak from another leaseholder's flat.*

All leaseholders are responsible for taking out their own contents insurance.

Shared-ownership leaseholders cannot usually sublet their flats. Leases can also specify what, if any, pets are allowed and what type of floor coverings are allowed.

Our responsibilities if we manage the building or estate

Under most leases we must:

- insure the building; and
- maintain, redecorate, repair and possibly improve the structure of the building the properties are in and its shared parts (for which you pay a service charge).

It is also usual for us to have to enforce the terms of the lease if a leaseholder asks us to, as long as that leaseholder agrees to pay our costs in doing so.

Our property management service

For all matters relating to your lease, your first point of contact will be your Property Management Officer.

Your Property Management Officer will write to you once a year to confirm their contact details. This information will also usually be displayed on noticeboards in a block or on an estate.

Each Property Management Officer delivers a service to approximately 200 leaseholders.

The Property Management Officer will be responsible for answering leaseholders' questions, setting service charges, collecting payments, approving all work and supervising services such as cleaning and gardening.

They will also be responsible for consulting leaseholders on major work, as well as other work arising from fire-risk assessments. Although they will be supported by surveyors and other technical teams, the Property Management Officer will be your point of contact at all times.

The Property Management Officer will arrange inspections of the building or estate each year. How often inspections are carried out will depend on the needs of the building or estate, but could be anything from once a month to a few visits a year. Leaseholders will be told inspection dates, and they will be displayed on noticeboards.

Note

For properties managed by managing agents, our Property Management Officers build and develop relationships with the managing agents so we have the opportunity to influence the service they provide. The success of this is often down to whether or not the agent is willing to work with us.

Managing agents are usually employed by the owner of the property (usually the property developer) and do not have any contract with us.

A Property Management Officer will process all documents and demands issued by the managing agent and will pass these on to our leaseholders. We will collect the service charge for the properties and pay it to the managing agents on behalf of leaseholders. We will also pass on queries on behalf of our leaseholders where necessary.

Regardless of who manages the building, sharedownership leaseholders will still pay their rent to us.

Insurance

We (or the property owner) are responsible for insuring the building, but not leaseholders' personal belongings. You should take out your own contents insurance.

Note:

The following information relates to buildings insurance we have arranged. Leaseholders living in buildings that are owned by somebody else, such as section 106 and DIYSO leaseholders, should refer to the insurance certificate for their building. For further information you can speak to your Property Management Officer.

Our buildings insurance covers the structure of the building, shared areas such as stairways, and outdoor areas such as car parks.

- Our buildings insurance covers damage arising from, but not limited to, the following.
- Fire, lightning, smoke, earthquake, explosion
- Storm or flood
- Riot and civil commotion
- Malicious damage
- Subsidence or landslip
- Collision
- Falling trees and aerials
- Terrorism

The following items are not covered.

- Loss or damage caused by anything that happens gradually, such as corrosion, rust, wet or dry rot, wear and tear
- Loss or damage caused by pets, insects or vermin
- The cost of correcting faulty workmanship or design or faulty materials
- Pressure waves caused by aircraft or other flying objects travelling at or above the speed of sound
- Radioactive contamination
- Damage arising through an act of war
- Deliberate damage



Repairs

You are responsible for any repairs inside your home, including repairing or replacing boilers, cookers, fridges and so on. You are also responsible for any pipes, cables and so on which serve only your home.

Leaseholders are not responsible for repairs to the structure of the building, and areas or services provided to all residents in a block or on an estate. These are the responsibility of whoever owns the property.

If you live in a home we own and manage, we have a repairs service to maintain the structure of the building and the shared areas of your building or estate. This service is not available to leaseholders living in properties that we do not own (section 106 or DIYSO leaseholders).

Reporting a repair

You can report a repair between 9am and 5pm, Monday to Friday, by calling your Property Management Officer. If you need to report an emergency repair outside these hours, call our out-of-hours service on 0844 567 1074.

Repairs priorities

If we are responsible for carrying out a repair, we will give it a priority level depending on how urgent the repair is.

Each priority level has a timescale for finishing the repair.

- Emergency repairs (for example, burst pipes in shared areas and repairs which affect health and safety) should be finished within 24 hours.
- Urgent repairs (for example, repairs to outside lighting, vehicle entry gates or outside taps that are leaking) should be finished within seven days.
- Routine repairs (for example, faulty intercom systems, repairs to walls, pathways or driveways) should be finished within 28 days.

Whether or not a repair is finished within the relevant timescale depends on whether a contractor is available, the extent of the repair, and if any specialist advice, equipment or parts are needed.

Timescales for responding to defects in new buildings (see below) may be different from the timescales above as they are set by the property developer rather than by us.

Repairs service performance

We closely monitor our repairs service through sample inspections, recording how long it takes for repairs to be finished, and what percentage of our repairs are finished on the first visit. These results are included in our annual performance report.

You can help us by letting us know if you have any concerns about the performance of our contractors. If you are not satisfied with the repairs service we have provided you should speak to your Property Management Officer.

Note

If you live in a building managed by a managing agent, you will need to report repairs to the managing agent. If you don't know how to contact the managing agent, your Property Management Officer can give you the contact details or contact them for you.



Estate services

Our two main estate services are cleaning shared areas and grounds maintenance (otherwise known as gardening). We may also include other services such as caretakers and window cleaning.

We have entered into agreements for contractors to provide these services for us. The services will be paid for out of service charges.

If you have any concerns about the contractors, contact your Property Management Officer.

Major work and cyclical decorating

In buildings and on estates we manage, we will usually redecorate the shared parts and the outside of the building every six or seven years. This is called 'cyclical redecoration'.

At times we may need to carry out major work such as repairing the roof or replacing windows. Whenever possible we will try to carry out major work at the same time as cyclical redecoration to provide value for money.

Major work and cyclical redecoration will be paid for from the reserve fund. If there is not enough money in the reserve fund, you will be billed separately for your share of the outstanding costs.

When we are going to carry out major work or cyclical redecoration we will consult leaseholders, so that they are involved at every stage. The letters we send out to consult with leaseholders are known as Section 20 notices.

Consultation will include:

- giving leaseholders the opportunity to speak to the surveyor preparing a plan for the work;
- asking for views on the proposed work;
- asking leaseholders to nominate contractors to get estimates from; and
- giving leaseholders details of all the estimates we receive and asking for their comments.

We will also consult leaseholders over colour schemes and choice of carpets where appropriate.

Defects in new buildings

Property developers will make every effort to build properties that do not have faults, but it is inevitable that some items may need attention. This is totally normal with new-build properties and sometimes it is only through a property being lived in and 'tested' that faults are discovered.

All newly built properties have a 'defect period'. This is a period during which the property developer is responsible for putting right any defects (faults).

The length of the defect period can vary between six months and two years. The defect period begins when the development is handed over from the builder to us.

If you are the first leaseholder of a new-build property, and your lease starts within the defect period, the property developer will be responsible for putting right any fault arising in your home within the remainder of the defect period.

If you are granted your lease after the defect period has ended, we would have inspected the property at the end of that period and all

faults found would have been put right by the property developer. You will be responsible for all faults found after that.

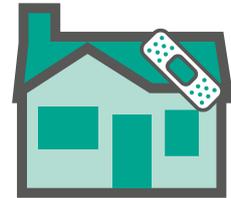
What faults would be put right?

Faults which the property developer would have to put right if they were found in the defect period include the following.

- Dripping taps, leaking toilets or leaky plumbing
- Windows and doors that do not fit properly
- Extractor fans that are not working
- Sticking locks
- Heating problems

The following faults would not have to be put right.

- Patchy paintwork
- Cracks to ceilings or walls caused by shrinkage (other than those you can fit the edge of a £1 coin in)



- Marks, dents, cracks, scratches and stains to any surfaces
- Uneven floors
- Unconnected phone sockets
- Blown light bulbs
- Faults with built-in appliances (these will be under warranty with the manufacturer)
- Condensation, draughts, temperature problems and humidity caused by the design of the property, which direction it is facing or its insulation value

The lists above are not complete. They only give an indication of what a property developer would and would not have to put right. If the property developer isn't responsible for putting a fault right, the leaseholder will be responsible for it.

Reporting faults within the defect period

If you are within the defect period and you find a fault that you think the property developer would have to put right, contact your Property Management Officer.

Inspection at the end of the defect period

At the end of the defect period, we and the property developer inspect properties for faults. During the inspection you can discuss any faults which you think need to be put right. You will be told the inspection date at least two weeks beforehand. The letter will set out arrangements for getting access to your home.

Any fault agreed at the inspection will be put right by the property developer or their contractor, as long as you give them reasonable access to your home during normal working hours. If you do not provide access, the property developer does not have to put the faults right.

Building warranty

All new-build properties are covered by a warranty the builder must take out before building a scheme. This may be with the NHBC or another building warranty provider.

When you got the lease, you would have been given a certificate showing details of the warranty. For more information on the warranty and what it covers, contact the warranty provider shown on the certificate.

Paying service charges and rent

You must usually pay by standing order or direct debit.

Direct debit

Setting up a direct debit is the easiest way to pay. On the first day of each month, we collect the payment from your bank account. If the amount changes, we will let you know beforehand and adjust the amount we take. You can download a direct debit form from our website at <http://www.nottinghillhousing.org.uk/customers/leasehold/money/making-a-payment>, or you can get one from your Property Management Officer.

Standing orders

You can set up a standing order with your bank. Please make sure payments leave your account at least five days before they are due, so that they get to us on or before the first day of the month. When your rent changes, you will need to let the bank know the new amount.

To set up a standing order, please contact your bank with our bank details, as follows.

Bank: Barclays Bank (Ealing branch)
Account name: Notting Hill Home Ownership
Sort code: 20-27-55
Account number: 10104361

You will need to quote your payment reference number. If you are unsure of your payment reference number you can check with your Property Management Officer

One-off payments

If you need to make a one-off payment (for example, for arrears or charges for major work), you can pay in the following ways.

By phone

Contact your Property Management Officer to make a one-off payment over the phone using a debit card or credit card.

By post

You can post a cheque or postal order to us at:

Notting Hill Home Ownership Finance
Bruce Kenrick House, 2 Killick Street
London, N1 9FL.

Make the cheque or postal order out to Notting Hill Home Ownership and write your address and payment reference number on the back of it.

You should send your cheque or postal order, by first-class post, at least 10 working days before the payment is due.

Do not post cash.



Telephone banking, online banking and over the counter at Barclays Bank

You can pay using telephone banking or online banking, or by paying cash over the counter at Barclays Bank using one of their paying-in slips. Always quote your payment reference number.

Please remember that it will take up to five working days for your payment to reach our account.

Using our website

You can go on our website at to check your account and make payments by debit card or credit card. You'll need to register before you can use our online payment facilities.

Remember to quote your payment reference number when making a payment.

Difficulties with payments

If you are finding it difficult to pay your rent or service charge, please contact your Property Management Officer. If you don't pay your rent or service charge and don't contact us to discuss your problems, you could lose your home.

Important note

You may have to pay an administration fee and interest for late payments. Make sure your payments reach us on time. If you have any questions about this, speak to your Property Management Officer as soon as possible.

If you do not pay the service charge and rent If you do not pay a service charge or rent payment, we will begin our 'arrears recovery' procedure. This can result in you having to pay extra costs and legal expenses.

We may also ask your mortgage lender to pay off your arrears and add it to your mortgage. This can result in you having to pay extra charges to your mortgage lender.

If you do not pay your service charges or rent, you will be breaking the terms of your lease, which often means you have broken your mortgage agreement. In this situation your home may be repossessed.

Leasehold policy

Alterations and improvements

If you want to carry out any alteration or home improvement you should first contact your Property Management Officer. Your Property Management Officer will assess whether or not you need permission, who from, and if there are good reasons for permission to be refused.

You will be asked to fill in a questionnaire about the work you plan to do. You may have to provide other information if the work would affect the structure of the building, is extensive, needs planning permission or involves building control.

We will charge a non-refundable administration fee of £60 + VAT to process your request for permission for alterations or improvements.

If a surveyor needs to assess your application, you will also have to pay their costs.

There may also be legal costs and fees involved. You cannot carry out any alteration or improvement until you have written permission from the appropriate person.

If you need planning permission or other type of building consent, you must apply for and pay for that permission or consent.

Code of conduct

If we give you permission to carry out alterations or improvements, you will be given a 'code of conduct' which you and anyone carrying out work for you must keep to. Under the code of conduct you must do the following.

- Give your neighbours reasonable notice before the work starts and tell them about any possible noise or inconvenience it could cause.
- Make arrangements with your Property Management Officer for moving equipment through the shared areas in order to cause the minimum amount of disruption and damage.
- Discuss with your Property Management Officer any possible effects the work could have on fire safety or fire-safety equipment.
- Make suitable arrangements with your Property Management Officer for storing items within the property. (Items cannot be stored in the shared areas of the building.)
- Make suitable arrangements with your Property Management Officer for disposing of any debris and rubbish arising from the work.

Subletting

- Keep all the shared areas clean and tidy throughout the work.
- Tell your Property Management Officer about any delays or problems affecting the progression of the work or any damage affecting fixtures and fittings, the structure of the building or a neighbouring property.
- Only carry out work between the hours of 8.30am and 5.30pm Monday to Friday, and between 8.30am and 12 noon on Saturdays (unless different times are specified in your lease).

When the work is finished

When you have finished the alteration or improvement, you will be responsible for maintaining and insuring it.

If the work caused any damage to the building or neighbouring properties, you will be liable for it.

If you want to sublet all or part of your home, you should always check with your Property Management Officer to see if this is allowed.

If you are allowed to sublet, you will be responsible for the subtenants, and you would be held responsible if their actions broke the terms of the lease.

Shared-ownership leaseholders

Shared-ownership leases contain a clause that does not allow subletting. If you do sublet all or part of your home, you would be breaking the terms of the lease and we could take legal action against you. This could lead to your home being repossessed.

Keeping pets

If you want to keep a pet, you should contact your Property Management Officer first, even if a previous leaseholder had a pet. You will need to fill in a questionnaire to provide the information we need. The Property Management Officer may also ask your neighbours for their views.

We will charge a non-refundable administration fee of £60 + VAT to process your request for permission to keep a pet.

If we do not own the property, you may also have to pay a fee to the owner.

Whether you will be allowed to keep a pet depends on the terms of your lease and the effect a particular animal may have on the building and other residents. We will not refuse permission unless we have good reason. However, it is our policy not to let leaseholders keep dogs in blocks of flats. This is because many complaints we receive about noise nuisance in blocks of flats relate to dogs. Also, we will not give permission if your service charge and rent payments are not up to date.

You cannot keep a pet until you have our permission in writing. If we do give permission for you to keep a pet, you must be considerate to your neighbours by keeping it under control.

You will be responsible for any nuisance or disturbance caused by the animal. You will also be responsible for all costs arising due to damage caused by the pet.

We can withdraw the permission at any time if we have good reason to do so.



Neighbour disputes

We know that relations between neighbours can sometimes break down. We expect you to manage your own relationships with neighbours, and under the lease we do not have to get involved in disputes between neighbours. However, if the problem is due to a problem that breaks the terms of the lease (for example, antisocial behaviour or leaving obstacles in shared areas), a leaseholder can ask us to enforce the lease. If you have any concerns, talk to your Property Management Officer.



Antisocial behaviour



Antisocial behaviour is any behaviour which could annoy, upset or cause a nuisance to any person, or which involves using or threatening to use our housing for unlawful purposes. All our tenancy agreements and leases state that tenants and leaseholders must not harass, disturb or cause a nuisance to others.

These are the kinds of problems that may cause a nuisance.

- Littering and fly-tipping
- Skateboarding and cycling on walkways
- Misusing shared areas (for example, loitering or playing ball games)
- Not clearing up after a pet
- Loud music and shouting
- Having too many people living in a property
- Running a business from a flat
- Parking problems
- Graffiti, vandalism and criminal damage
- Drunkenness, drug use and drug dealing

- Prostitution
- Being violent or threatening violence
- Racial or sexual harassment

When estates are being renovated or planned, we make sure the design helps to prevent crime, improve security and cut down noise.

How to report antisocial behaviour

If you want to report antisocial behaviour, you should contact your Property Management Officer. They will give you further information about the procedure to follow.

Your Property Management Officer will write down full details of your complaint. If you contacted them by phone, they may ask you to provide written details of the problem if this would help settle it.

Note

If your home is managed by a separate managing agent, your Property Management Officer will refer the matter to the managing agent for them to deal with the problem.

What will happen next

The Property Management Officer will investigate the matter, which is likely to involve contacting those responsible for the behaviour. They may also speak to other witnesses.

The officer will get back to you within two weeks to talk to you about what action can be taken to prevent the antisocial behaviour.

If the antisocial behaviour is not a risk to anyone, at first we would try to help you and the other person or people solve the problem between yourselves. We can put you in touch with independent mediators who are trained and skilled in helping and supporting neighbours to reach a solution which is acceptable to everyone involved.

If this is unsuccessful and the nuisance continues, or if the antisocial behaviour is threatening, your Property Management Officer will draw up an action plan for solving the problem. They will explain the various actions that could be taken to deal with the problem. You may have to keep a diary of further antisocial behaviour.

In the worst cases, we may need to take legal action against the person or people responsible for the antisocial behaviour. To do this we need sufficient evidence to support our case in court. We may also need you and other witnesses to the behaviour to appear in court.

If we get to a stage where we cannot take further action (for example, if there is not enough evidence of the antisocial behaviour), we will close the case and write to you confirming our reasons.

Action that can be taken to deal with antisocial behaviour

We can do the following to try to prevent antisocial behaviour from continuing.

- Give informal warnings
- Offer mediation
- Refer the problem to enforcement agencies such as the police or environmental health
- Work with other agencies, such as social services or youth services, who have extra skills and powers
- If the person responsible for the antisocial behaviour is vulnerable (for example, due to mental-health problems or addictions), offer support to help them control their behaviour
- Improve the block or estate to make it safer (for example, providing better lighting)

Useful information for leaseholders

Complaints about our service

We aim to provide an excellent service, but we know that things can go wrong.

We want to know when we get things wrong or when you are unhappy with the service you have received from us. When we receive a complaint, we see it as an opportunity to improve our service.

If you have a complaint you or someone acting on your behalf should contact your Property Management Officer. You can make your complaint by phone, in a letter or by email. Please make your complaint as specific and detailed as possible. The more information you can provide about what you are unhappy with, the easier and quicker it may be to solve the problem.

When we receive your complaint, we will tell you when you can expect to receive a full response.

Complaints can often be settled relatively quickly between a leaseholder and their Property Management Officer without the need to go through the formal complaints process.

If your complaint cannot be settled informally between you and your Property Management Officer, it will need to go through the procedure. You can find out more about the process by visiting our website (<http://www.nottinghillhousing.org.uk/about-us/making-a-complaint/ourcomplaints-process>). Alternatively your Property Management Officer can send you a copy of the customer complaint policy statement.

Advisory services and tribunals

Leasehold Advisory Service (LEASE)

The Leasehold Advisory Service provide free advice to leaseholders on the laws affecting residential leasehold property in England and Wales. Their contact details are as follows.

Website: www.lease-advice.org

Phone: **020 7383 9800** (Monday to Friday, 9am to 5pm).

Leasehold valuation tribunals

Leasehold valuation tribunals are independent bodies appointed to make decisions on various types of dispute relating to residential leasehold property. Both landlords and leaseholders can ask a leasehold valuation tribunal to look into leasehold disputes.

You can get more details from your Property Management Officer, by visiting the Residential Property Tribunal Service website at <http://www.justice.gov.uk/tribunals/residential-property>, or by phoning **0845 600 3178**.

Buying the freehold of your house

Over recent years, many leaseholders have been given the 'right to acquire' (that is, the right to buy the freehold of their property), either individually in the case of houses or collectively, with other leaseholders, for flats.

Leaseholders of flats can only buy the freehold jointly with other leaseholders in their block. A leaseholder of a flat will have the right to acquire with other leaseholders if:

- their lease is a long lease (that is, it was originally for a period of at least 21 years);
- they are not shared-ownership leaseholders; and
- they do not have long leases to more than three properties in the block.

The block must have two or more flats in it, and: at least two-thirds of the flats must be held on long leases;

- if it is a mixed-use building (not used just for homes), at least 75% of the floorspace in the building (other than shared parts) must be residential; and
- the leaseholders of at least half the flats in the block must want to buy the freehold.

To buy the freehold of a block, the leaseholders first have to form a 'Right to Enfranchise' Company. The company buys the freehold of the whole block. However, if any flats are housing-association properties, these have to be leased back to the association for a 999-year term at a nominal ground rent.

For more information on buying the freehold of your block, visit the website at www.lease-advice.org or contact our legal administration team (phone: **020 3815 2407**, email: legaladmin@nhhg.org.uk).

Buying the freehold of your house

Leaseholders whose leases are for 100% of their home, and have had a long lease for more than two years, can buy the freehold to it.

For more information on buying the freehold of your house, visit the website at www.lease-advice.org or contact our legal administration team (phone: **020 3815 2407**, email: legaladmin@nhhg.org.uk).

Note

If we do not own the property, to buy the freehold you will need to contact the freeholder named in your lease.

Self management of your block of flats

We recognise that in some circumstances leaseholders may be interested in taking over the management of their block of flats. To help with this we have a self management policy, which you can get by contacting your Property Management Officer. This is a policy that only applies to blocks of flats that are entirely leasehold (i.e. no rented tenants).

Extending a lease where we are the freeholder

We have an informal procedure for you to extend your lease.

In brief, the procedure is as follows.

1. If you are a 100% owner you pay us £1020. This is the valuation fee of £660 and our administration fee of £360. If you are a shared owner you will pay £840. This is the valuation fee of £480 and an administration fee of £360. We will not refund these fees, even if you decide not to go ahead with extending the lease.
2. We ask our surveyor to carry out a valuation and work out the cost of the lease extension. That cost is worked out using a formula set by law and is based on a lease extended by a further 90 years with no ground rent.
3. We write to you and offer you the lease extension at the price set by the surveyor.
4. If you decide to go ahead, we will instruct our solicitors to extend the lease. You will pay the price for the lease extension plus our solicitors' fees of about £600 to £1000 + VAT and 'disbursements'. (Disbursements cover things like letters and phone calls.) You will also need to instruct your own solicitor and pay their costs as well.

If you have any questions about extending your lease, email us at legaladmin@nhhg.org.uk, or call **020 3815 2407**. You can also find more information on our website at www.nhhg.org.uk/residents/your-tenancy-or-lease/for-homeowners/extend-your-lease.

Extending a lease where we are not the freeholder.

Please note that this type of lease extension can be complicated and take around six months.

DIYSO

If you are a DIYSO leaseholder and you want to extend your lease, contact our legal administration team (phone: **020 3815 2407**, email: legaladmin@nhhg.org.uk). A legal administration officer will give you advice and support before and during the process and will contact the freeholder on your behalf if the freeholder refuses to deal directly with you.

Section 106

If you have a section 106 lease, or think that you do, contact our legal administration team (phone: **020 3815 2407**, email: legaladmin@nhhg.org.uk). They will give you all the information you need.

How to get involved



You can provide feedback in a number of ways, and this can have a positive effect on the service we provide. Some take just five minutes of your time and some could take several days over the course of a year.

Join the Action Group

The Action Group is a group of leaseholders who make recommendations to improve our service. The group have regular meetings with our staff.

Joining the Action Group gives you the opportunity to raise issues with us and influence the services we provide.

If you are interested in joining the group, contact the Resident Involvement Team on **020 8357 5010** or email leaseholdresidents@nhhg.org.uk

Join the Development Consultative Forum

The Design Consultative Forum is made of leasehold and general needs residents who provide feedback on our design standards, sustainability, move in process and the wider customer experience.

Attending the forum gives you the opportunity to influence future property developments and work closely with the Development and New Business Team.

If you are interested in joining the forum, contact the Resident Involvement Team on **020 8357 5010** or email leaseholdresidents@nhhg.org.uk

Join a Local Scrutiny Panel

Local Scrutiny Panels are made up of residents who examine and comment on the services they receive from us. The panels give tenants and leaseholders the opportunity to challenge how we provide services in their local area.

Each panel is typically made up of a maximum of 12 residents, meets five times a year, and is supported by the housing managers who work in the local area.

If you became a member of a Local Scrutiny Panel you would be able to:

- find out more about how we are run;
- challenge us over our services in order to improve the area you live in; and
- receive training on a variety of areas, including general information about us and how housing providers work, and more specific training on how to analyse and understand performance information.

If you are interested in joining a Local Scrutiny Panel, you will need to fill in a short personal statement form and attend an informal interview.

If you are interested in joining a Panel, contact the Resident Involvement Team on **020 8357 5010** or email localscrutiny@nhhg.org.uk

Go on estate inspections

We carry out inspections of all buildings we manage. Leaseholders can accompany their Property Management Officer on an inspection. Dates and times of inspections should be displayed in the shared areas of your building. You can also contact your Property Management Officer to find out when they will next be inspecting your building.

If you would like more information about any of this, please speak to your Property Management Officer.

Rating our cleaning and grounds maintenance services

We have set up an online survey so that you can rate the standard of the cleaning and grounds maintenance services we provided to our properties. You can take part in the survey by going to www.nottinghillhousing.org.uk/estateservicesurveys. Or you can give any comments you have to your Property Management Officer.

Other ways to get involved

You can also get involved in a number of other ways. To find out more, phone our Resident Involvement Team on **020 8357 5010** or email leaseholdresidents@nhhg.org.uk.

Administration charges

Service	Charge	Total inc VAT
Enquiries for information in connection with sale		
Where NHHG is freeholder	£200 + VAT	£240
Where NHHG is not the freeholder	£80 + VAT	£96
Notice of transfer	£60 + VAT	£72
Notice of charge	£60 + VAT	£72
Approval of deed of covenant	£60 + VAT	£72
Certificate of compliance (we will require a copy of the title and the relevant pages from the lease)	£80 + VAT	£96
Lease extension administration fee	£300 + VAT	£360
Remortgage fee / Providing approval or providing information for the lender	£100 + VAT	£120
Abortive staircasing fee (if cancelled after the solicitors are instructed)	£150 + VAT	£180
Providing consent to transfer a share ownership lease eg. joint to sole ownership or adding a new lessee	£100 + VAT	£120
Request for home improvements		
basic	£60 + VAT	£72
complex eg. requiring a surveyor to visit	£160 + VAT	£192
Retrospective consent for home improvements		
basic	£60 + VAT	£72
complex eg. requiring a surveyor to visit	£160 + VAT	£192
Administration fee for dealing with a Licence to alter, deed of variation, or supplemental lease	£200 + VAT	£240
Loft conversion administration fee. Solicitors and surveyors fees will be in addition to this	£1000 + VAT	£1200
Copy of lease	£40 + VAT	£48

Summary of tenant's rights and obligations

1. This summary, which briefly sets out your rights and obligations in relation to administration charges, must by law accompany a demand for administration charges. Unless a summary is sent to you with a demand, you may withhold the administration charge. The summary does not give a full interpretation of the law and if you are in any doubt about your rights and obligations you should seek independent advice.

2. An administration charge is an amount which may be payable by you as part of or in addition to the rent directly or indirectly:

- for or in connection with the grant of an approval under your lease, or an application for such approval;
- for or in connection with the provision of information or documents;
- in respect of your failure to make any payment due under your lease; or
- in connection with a breach of covenant or condition of your lease.

If you are liable to pay an administration charge, it is payable only to the extent that the amount is reasonable

3. Any provision contained in the grant of a lease under the right to buy under the Housing Act 1985, which claims to allow the landlord to charge a sum for consent or approval, is void.

4. You have the right to ask the First-Tier Tribunal (Property Chamber - Residential Property) whether an administration charge is payable. You may make a request before or after you have paid the administration charge. If the tribunal determines the charge is payable, the tribunal may also determine:

- who should pay the administration charge and who it should be paid to;
- the amount;
- the date it should be paid by; and
- how it should be paid.

However you do not have this right where:

- a matter has been agreed to or admitted by you;
- a matter has been, or is to be referred to arbitration or has been determined by arbitration and you agreed to go to arbitration after the disagreement about the administration charge arose; or
- a matter has been decided by a court.

5. You have the right to apply to the First-Tier Tribunal (Property Chamber - Residential Property) for an order varying the lease on the grounds that any administration charge specified in the lease, or any formula specified in the lease for calculating an administration charge is unreasonable.

6. Where you seek a determination or order

Summary of tenant's rights and obligation continued

from the First-Tier Tribunal (Property Chamber - Residential Property), you will have to pay an application fee and, where the matter proceeds to a hearing, a hearing fee, unless you qualify for a waiver or reduction. The total fees payable to the tribunal will not exceed £500, but making an application may incur additional costs, such as professional fees, which you may have to pay.

7. The First-Tier Tribunal (Property Chamber - Residential Property) has the power to award costs, not exceeding £500, against a party to any proceedings where:

- it dismisses a matter because it is frivolous, vexatious or an abuse of process; or
- it considers that a party has acted frivolously, vexatiously, abusively, disruptively or unreasonably.

The Lands Tribunal has similar powers when hearing an appeal against a decision of a leasehold valuation tribunal.

8. Your lease may give your landlord a right of re-entry or forfeiture where you have failed to pay charges which are properly due under the lease. However, to exercise this right, the landlord must meet all the legal requirements and obtain a court order. A court order will only be granted if you have admitted you are liable to pay the amount or it is finally determined by a court, a tribunal or by arbitration that the amount is due. The court has a wide discretion in

granting such an order and it will take into account all the circumstances of the case.

9. For FREE independent advice please contact LEASE on 020 7832 2500. LEASE can provide initial advice and guidance to members of the public about residential leasehold law. www.lease-advice.org. Alternatively please speak to your property management officer.

