

Leaseholder's Handbook



**Eastbourne
Homes**

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1. Introduction

Welcome to your Leaseholders Handbook. This document is designed to give you: an introduction and background to Eastbourne Homes Ltd (EHL) as your managing agent and Eastbourne Borough Council (EBC) your landlord; an explanation of your service charges and to provide an outline of your rights and responsibilities as a leaseholder.

EHL is an Arm's Length Management Organisation (ALMO), a company wholly owned by EBC who owns the housing stock and is both the Landlord and Freeholder of the block where your leasehold interest is located.

Our service charges are billed in compliance with the terms of your lease and are kept as low as is compatible with providing a high quality service.

If you want to find out more about your rights and responsibilities as a leaseholder we suggest you visit the Communities and Local Government website, where you will be able to download, or order, a comprehensive guide to your legal position:

www.communities.gov.uk/publications/housing/booklet.

You can also find out further information about all things leasehold from the Leasehold Advisory Service (LEASE):

www.lease-advice.org.

To find out more about EHL you can visit our website at www.eastbournehomes.org.uk. If you select the 'Leaseholders' tab along the top navigation bar this will take you to specific information about being a leaseholder of EBC.

You will also receive our newsletter, 'Open House', which is published throughout the year.

2. About Eastbourne Homes Ltd

EHL manages the housing stock in Eastbourne on behalf of EBC.

EHL is governed by its Board, supported and advised by the Managing Director and Strategic Leadership Team.

The Board is made up of people committed to continuously improving and driving service delivery to all of our customers. You can find out further details about the Board on our website.

Company Vision:

“Being the partner of choice, creating communities and homes where people are proud to live.”

Company Mission Statement:

“To provide and develop excellent value for money services which innovate and respond to the aspirations of all.”

EHL will deliver its services within a framework of these values:

- To treat everybody with dignity and respect.
- To conduct our business with honesty and integrity.
- To be fully accountable to residents and the other organisations that work with EHL.
- To provide a high quality working environment in which all staff are cared for, valued and professionally developed.
- To be financially aware without compromising the quality of services.

3. Your Lease

Your lease is a legal contract between you and EBC, the landlord. It is very important that you read and are able to understand the terms of your lease. You should seek independent legal advice if there is something you do not understand.

If you do not have a copy of your lease, you can obtain one from EBC (if there is a copy on file). There will be a charge for this service. Details of how much this will cost can be provided if you contact us, or details can be seen on the EHL website. Alternatively you can obtain a copy from the Land Registry, and further details can be found on their website.

The term of your lease is usually 125 years; however you should confirm this from your own lease. Your ownership of a leasehold property includes (but is not limited to) the following:

- Surface of the floors above the joists and the surface of the balcony floor (if applicable),
- Ceiling of the flat up to but excluding the joists and beams,
- All walls except the exterior walls (including walls dividing it from another property) and the surfaces of the walls (including the plaster),
- The glass in the windows,
- Any doors and door frames,
- All media (e.g. wiring, plumbing, gas etc.) specifically serving the property,
- Any garden, store or garage that may be included.

You should refer to your lease for confirmation of what your responsibilities are for your leasehold property.

EHL, on behalf of the landlord, is responsible for the structure of the building and any areas used in common. Refer to section 6 for more information.

4. Selling, Buying, Sub-letting and Forfeiting the Leasehold

Selling

If you sell your leasehold property your solicitor must notify the Legal Team at the Council of the sale within 21 days so the property records can be amended. The notification will be in the form of a legal document, commonly known as a 'Notice of Transfer' or 'Notice of Assignment'. There will be an administration charge for registering the new owner. Details of the charge can be found on our website.

Right to Buy

If you applied to purchase your property under the Right to Buy scheme you are required to offer it back to EBC before it can be sold on the open market. This is only the case for the first sale during the 10 years after the flat was initially purchased. The request must be in writing and a response should be received within 8 weeks.

If you sell your home within the first five years from the date of purchase you should anticipate having to repay a proportion of the discount back.

If you sell your home within the first year you will have to pay back all of the discount and year on year it will decrease as follows:

- 80% of the discount in the second year,
- 60% of the discount in the third year,
- 40% of the discount in the fourth year,
- 20% of the discount in the fifth year.

The amount you pay back depends on the value of your home when you sell it and not the market value when you purchased it.

Further information can be found via the government website: www.gov.uk/right-to-buy-buying-your-council-home/overview.

Sub-letting

You do not need permission from your landlord to sub-let your home (renting it to a third party) but you do need to let us know if you intend to do so as per the terms of your lease.

You can register your sub-let with EBC by requesting a registration form from EHL or by printing a copy from our website.

You will need to provide EHL with your new contact details (or a next of kin or letting agent) and details of who the tenant is. There is a one-off administration fee for the initial registration notifying the landlord of your sublet.

You will still be responsible for the property as the leaseholder and for your tenant, who is expected to comply with the terms of your lease.

Your tenant should only make contact with EHL or EBC through you and not direct to us with anything regarding your leasehold property or the block it resides in.

Forfeiting your home

If you breach any of the conditions of your lease EHL may apply to the court to end it. The court has the power to end your lease and give the landlord possession of your property.

It is therefore of the utmost importance that you follow and comply with the terms of your lease to ensure that you are not in breach of any of the covenants that could result in formal legal action being taken.

All costs in relation to forfeiture will also be your liability and any fees will be recovered from you by an application to the courts.

5. Rights and Responsibilities

Both you as the leaseholder and EHL, on behalf of EBC, have rights, easements, responsibilities and duties. These can be contained both in the lease and in law.

Rights

Your right to occupy

You have the right to occupy and have quiet enjoyment of your home as long as you comply with the terms of your lease.

We cannot intrude into your home unless:

- We need to get access to inspect or repair the block or a neighbouring property and we have provided you with written notice requesting access (except in an emergency where prior notice is not required);
- You have broken the terms of your lease.

Your right of access

You have the right to access your property and use any areas for the intended common use of all residents, such as washing/drying areas, bin store areas and communal gardens.

Although you have the right to access and use all areas in common you do not have the right to carry out any changes or alterations.

Your right to assign

Although you have the right to assign (to pass or sell on) your lease and do not require the permission of the landlord you are required to notify the landlord that the assignment has taken place within 21 days. A fee will be charged for registering the assignment and your solicitor will require the Notice of Assignment to be signed and acknowledged.

Your right to make improvements

You do not have the right to make structural alterations or changes to the architectural appearance of the property without the written consent from EHL.

Your permission will not be refused unreasonably however, if any permission is granted it will be subject to the compliance of certain terms and conditions. Any terms and conditions will have to be signed and returned and you should keep a copy for your records.

A 'Permission to Carry Out Alterations and Improvements' form can be obtained by contacting EHL or by printing a copy from the leaseholders section of our website.

There will be an administration fee based on an hourly rate (with a minimum of 1 hour) for reviewing permission requests. Further details regarding charges can be found under 'Charges and Payments' in the leaseholders section of the website.

Your right to repair

You have the right to expect us to maintain your building and estate to a reasonable state of repair.

We are responsible, on behalf of EBC, for maintaining the fabric, structure and common parts of your building, including any services used in common.

You are responsible for repairs inside your own property and for all supplies that specifically serve your flat, including the payment for all sources and suppliers.

Your right to be consulted

You have the right to be consulted before we undertake any major works to your block or estate if the work proposed will cost you more than £250.00.

You also have the right to be consulted before we enter into a new agreement with any contractor for more than 12 months if that partnership will cost you more than £100.00 per year.

Responsibilities

Do's & Don'ts

Below are some of your key responsibilities as a leaseholder; however a full description can be found in your lease.

- To pay all rents, service charges and fees (where applicable).
- To keep the inside of your property in a good and substantial state of repair and condition, to the liking of the landlord.
- To keep the inside of your property in a good state of decoration and to re-decorate in the last year of the term.
- Not to use the property for any trade or business profession.
- To ensure that no water or liquid soaks through the floors, to keep the property clean and not to use any harmful or corrosive substances through pipework from baths, lavatories, cisterns or sinks.
- Not to do anything that may void the buildings insurance policy or increase any insurance premium.
- Not to affix any notice or signage to the windows or outside of the property.
- Not to keep any animal without the prior written consent from the landlord.
- Not to install any window boxes or plants to be placed on any window sills or balconies.
- Not to cause any annoyance or nuisance to the occupiers of any neighbouring properties.

Doors

Any doors or door frames that are for the sole use of your property (e.g. flat entrance doors, store doors etc.) are your responsibility to repair and maintain.

Any front doors that open into an area shared by another resident (e.g. communal hallways) should meet certain fire and safety standards. These standards are set and governed by the East Sussex Fire & Rescue Service and failure to comply could lead to enforcement action by them.

Windows

The window units to your property form part of the structure of the building. The landlord is responsible for maintaining the frames, casements and any furniture. You will contribute towards any maintenance through your service charges. Under the terms of your lease you are responsible for maintaining the glass to the windows.

If you request permission to replace the windows yourself permission will not be unreasonably withheld. However a condition will be that the windows will still remain within the ownership and responsibility of the landlord.

TV aerials

Permission must be obtained from EHL for the installation of any TV aerial or satellite dish. Refer to section 5 on for further information on the process of requesting permission.

You will also need to obtain consent from the Planning Department at EBC to ensure you are complying with regulations.

6. Repairs & Maintenance

EHL, on behalf of EBC, is responsible for undertaking all repairs to the structure, common parts and communal services to the building.

The responsibility for any building work is held with the Property Services Team at EHL, and is mainly split between responsive repairs and planning/capital works.

Responsive Repairs

Mears

EHL have a qualifying long-term agreement with the Mears Group PLC to carry out routine repairs and maintenance to all properties managed by EHL.

Mears manage all of our incoming repairs calls. If you would like to report a repair please contact them via 01323 410000.

Emergency repairs

EHL also operates a 24 hour service for emergency repairs through Mears.

An emergency repair is defined as a repair which, if not dealt with quickly, could affect the health, safety or security of people using the building or the structure of the building itself.

Packaged Works

These are works identified by the Repairs Services Team that are non-urgent and can be grouped with other similar works to achieve economies of scale and value for money.

Cyclical Re-decoration & Preventative Maintenance

The Asset & Capital Works Team manage the cyclical repair and re-decoration works required to the block, incorporating 'preventative maintenance' to maintain items before they become beyond economic repair.

The programme currently operates on a 7-10 year cycle where details of what year the works are approximately due to your block can be found on the EHL website.

The cost for the work undertaken on your behalf, in accordance with the lease, is shared between leaseholders and EHL, through the rents paid by tenants of the social housing properties.

Re-chargeable Repairs

If we have to make a repair because of damage caused by you, a member of your family or a visitor to your home we will charge you for the whole cost of the work.

7. Living in Your Home

Insurance

Buildings insurance

EBC, as the freeholder, is responsible for taking out the building insurance for your block.

The premium for the buildings insurance is included within your service charges. A copy of the annual summary of cover can be seen on the EHL website or a copy can be requested along with the complete policy.

The policy covers the full reinstatement value of your block. It provides cover against: fire, lightning, explosion, earthquake, smoke, storm or flood, escape of water, riot, civil commotion, strike, labour or political disturbance, malicious persons, theft or attempted theft, subsidence, heave (*upward movement of the ground from soil expansion*) or landslip, falling trees or branches, falling aerials or satellite receiving equipment, impact, accidental damage to drains, pipes, cables, oil tanks and glass. The policy does not cover wear and tear.

Making a claim

If you need to make a claim for a part of the building covered by the policy then please contact the Insurance Officer at EBC via 01323 410000.

Contents insurance

The responsibility to obtain contents insurance is yours as the leaseholder, and although it is not compulsory, it is strongly advised that you take out personal household contents insurance to cover yourself against burglaries and accidental damage to your own belongings and those of other people.

Cleaning & Grounds Maintenance

EBC has long term contracts for the cleaning and grounds maintenance of your block if shown on your service charges. It is the responsibility however of all residents to ensure the block and estate are kept to a clean and tidy standard.

Noise, Nuisance and Neighbours

Please be considerate of your neighbours. Noise can be one of the biggest and most common causes of neighbour disputes. Please discuss any noise concerns with your neighbours first before speaking to EHL.

In the event further action needs to be taken it is recommended you contact your Neighbourhood Caseworker.

Harassment and Violence

It is a condition of your lease that you or anyone living with you or visiting you will not cause, commit or threaten any form of harassment, nuisance or other antisocial behavior. All tenants and leaseholders are bound by the same condition, whether in a lease or tenancy agreement. Prompt action will be taken by EHL against any resident behaving antisocially. In extreme cases this action can lead to the eviction of a tenant or the forfeiture of a lease from a leaseholder.

8. What are Service Charges?

Summary

Your service charge is used to cover the costs incurred by EHL in managing and maintaining your block and the surrounding estate.

Leaseholders pay a proportion of all expenditure as per the apportionment value stipulated in your lease.

Tenants contribute towards charges through their rent payments, which are held in the EBC Housing Revenue Account (HRA).

Tenants are not subsidised by leaseholders and leaseholders are not subsidised by tenants.

Your service charges may include (but are not limited to):

- Responsive repairs and maintenance;
- Buildings insurance;
- Communal cleaning;
- Grounds maintenance;
- Communal electricity;
- Major works & fees;
- Ground rent;
- Major works fund contribution;
- Management fees.

Further Details

Ground Rent

The amount of ground rent you pay per annum is stipulated in your lease.

Funds put to Reserve

EHL has the right to invoice for amounts to be put to reserve for future major works bills.

Management Fees

EHL currently charge management fees of 15% on all service charge expenditure for general needs blocks and 12% for our sheltered schemes, excluding any ground rent or buildings insurance. The management fee for any major works is reduced to 5% of the contract value and will be shown as a separate itemization on your service charge bill.

Billing

Your service charge year matches the EHL financial year of the 1st April to the 31st March.

You will receive estimated service charges at the 1st April in each year. These are averaged costs based on the last 5 years of actual expenditure for your block, where available, allowing for inflation. This is then adjusted for any expected or known reductions or increases in costs.

At the 1st October, 18 months later, EHL will calculate the actual costs spent on your block.

EHL will reconcile the actual costs against the estimated costs for a single service charge year. This is commonly referred to as your 'Reconciliation'.

If any costs were over-estimated at the 1st April you will receive a credit to your account at the 1st October.

If any costs were under-estimated you will conversely receive an additional amount to settle before the next service charge year.

9. Paying Your Charges

What Does your Lease Say?

Your lease stipulates that your service charges and ground rent should be paid in equal half yearly installments in advance on the 1st April and the 1st October.

Leaseholders in sheltered accommodation

Your lease stipulates that your service charges and ground rent should be paid in monthly installments in advance from the 1st April.

Due to modern practices EHL provides a wider range of mechanisms to pay your charges than what your lease stipulates. These are further outlined below.

Payment Mechanisms

Annual service charges

Your regular annual service charges should be settled within 28 days of your invoice unless you have a direct debit or standing order in place or you have made an alternative arrangement with the Account Management Team at EBC.

Major works service charges

We understand that leaseholders are not always able to pay large bills for major work without adjusting their budgets or arranging loans. The 'Major Works Payment Policy' is in place where these charges cannot be immediately met. Further information can be seen on our website or by contacting us.

You can pay your service charge and ground rent invoices by:

- **Standing order**

Please contact the EBC Account Management Team for the relevant bank details, or see the back of your most recent invoice.

- **Direct debit**

A copy of a direct debit mandate can be found on the EHL website or a hard copy can be provided if requested.

Direct debits are taken on the 1st working day of each month.

Leaseholders who switch to Direct Debit for the first time and pay continuously for 3 months are eligible for a one off credit of £10.00.

This applies to the first Direct Debit on your account only.

- **Cheque**

All cheques should be made payable to 'Eastbourne Borough Council' and sent to the Account Management Team at 1 Grove Road, Eastbourne, BN21 4TW.

- **Payment card**

This card can be used to pay at any post office or 'Paypoint' outlet. Please contact the Account Management Team for a payment card.

- **Telephone payment**

Payments can be made by credit or debit card over the telephone by calling our Customer Contact Centre.

As well as the additional payment mechanisms EHL also provides some further options to pay your charges, especially where the charges are significant.

Unable to Pay Service Charges

Not paying for your charges is a direct breach of your lease and could result in the forfeiture of your property. If you have any difficulty paying your service charges via any of the options available you should initially seek immediate independent advice.

10. Leaseholders Panel

EHL works with an independent Panel, known as the Leaseholders Panel, who represents the views of EBC leaseholders. This Panel was reconstituted in 2015/16.

The Panel meets a minimum of 4 times a year to discuss common issues that leaseholders are experiencing.

Composition

The Panel consists of one independent chair, one EHL representative and five leaseholders that reflect the different categories of EBC leaseholders. The composition is currently:

- One 'right to buy' leaseholder
- One open market leaseholder
- One investor landlord leaseholder
- Two further leaseholders from any of these categories.

The independent, professional Chair has specialist knowledge of leasehold law and management.

The Chair of the Panel is elected every 3 years and has no voting rights.

A representative from EHL will attend all formal Panel meetings and may attend informal meetings by invitation from the Chair. The representative is a Panel member but does not have voting rights.

Further information about the Panel can be seen on the EHL website.

Remit

The Panel works with EHL on matters relating to leasehold services with the joint aim of driving continuous improvement.

The Panel has a responsibility to seek the views and concerns of the wider body of leaseholders and address them appropriately. This might include bringing matters to the attention of EHL or EBC.

The Panel will not act on behalf of an individual leaseholder unless the matter raised is considered to be of wider significance.

Reporting

The Panel will produce an annual work plan, developed in response to matters of concern to the Panel, and will be required to issue a report for leaseholders detailing its activities over the preceding year and reporting on its impact.

The Panel reports to the EHL Board via the Service & Performance Committee.

Terms of Reference

The terms of reference and the code of conduct for the Panel can be found on the EHL website, along with copies of minutes from all previous panel meetings. Panel members are expected to be familiar with the Panel's terms of reference and to observe them at all times.

Contact

Contact can be made direct with the Leaseholders Panel by email via: EHL_LeaseholdPanel@eastbournehomes.org.uk.

EHL cannot pass your personal details to the Panel on your behalf due to restrictions under the Data Protection Act. If you would like to have direct contact and receive communications from the Panel then please send your details direct via the above email address.

11. Your Voice in Eastbourne Homes

EHL is committed to involving our residents in the day-to-day running of our business. Any input you can provide ensures that we are providing the highest services to our customers, and helps to continually improve them.

For more information please contact EHL via 01323 410000.

12. Making a Complaint

If you have spoken to a member of staff and do not feel he or she is dealing with your concerns properly then you may wish to make a formal complaint through EHL's complaints procedure. Any complaint made will be logged, acknowledged, investigated and responded to accordingly.

If you wish to have a copy of the EHL complaints procedure then one can be provided on request.

How to complain

You can make a complaint:

By telephoning: **01323 410000**

By emailing: customercontact@eastbourne.gov.uk

In writing to: **1 Grove Road, Eastbourne, BN21 4TW**

13. Contacting Us

If you wish to make contact with EHL please see the details below:

Eastbourne Homes Ltd
1 Grove Road
Eastbourne
BN21 4TW

Tel: 01323 410000

Website: www.eastbournehomes.org.uk

Other useful contacts:

Eastbourne Borough Council
1 Grove Road
Eastbourne
BN21 4TW

Tel: 01323 410000

Website: www.eastbourne.gov.uk

Leasehold Advisory Service
Fleetbank House
2-6 Salisbury Square
London
EC4Y 8JX

Tel: 020 7832 2500

Website: www.lease-advice.org/

Citizens Advice Bureau
Highlight House
St Leonard's Road
Eastbourne
BN21 3UH

Tel: 0344 411 1444

Website: www.citizensadvice.org.uk/