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## LEASEHOLD POLICY

### 2022 - 2025

#### **Purpose**

This policy sets out the aims and objectives of Derby Homes in regard to Leaseholders.

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### 1.0 INTRODUCTION

Derby Homes is committed to meeting its responsibilities to Leaseholders under the terms of their leases, legislation and best practice and providing a high-quality service.

### 2.0 Aims and Obligations

#### **Estimated Charges**

We will provide leaseholder with their estimated annual charge by the 1<sup>st</sup> of April each year.


The leaseholder will have a statement detailing the service for their block and any insurance specific to their property.

#### **Actual Charges**

We will provide leaseholders with their actual annual charges by the 1<sup>st</sup> of October each year the statement will show the actual charge against estimated charge including any major works that have been carried out along with a list of all day-to-day repairs carried out to their block, plus any other eligible charges.

#### **Major Works and Long-Term Agreements**

We will consult with leaseholders on both planned work and long-term agreements as per the terms of their leases and current legislation.



### **Major /Planned Work – No Recharge**

Approval must be sought and signed off by both the Head of Finance & Income and the Finance Director & Company Secretary for any planned or major work carried out to blocks with Leasehold properties where a decision has been taken not to recharge / apply a reduced charge to individual leaseholders for their proportion of the cost. This discretion is most likely to apply when works are of a health & safety and / or environmental benefit for the whole block.

### **Quarterly Repairs Statements**

The statement will give details of any communal repair carried out within the block. The statement is not a request for payment but is aimed at reducing the number of queries for both leaseholders and Derby Home when the actual charges are issued.

## **3.0 Recovering Service Charge Arrears**

We will pursue all debts and where there is no engagement or payment plan in place, we will pass the debt on to our Debt Collection Agency. Any recommendation for action will be taken by the Head of Service and Derby City Council.

## **4.0 Lease Transfer- Sales**

We will provide information required under current legislation to either the sellers or buyer's solicitor once our fees have been paid.

## **5.0 Leaseholder Obligations**

We will ensure the leaseholder obligations as required by the lease are met, any failures will be dealt with by either current policies or referring to the Head of Service or Derby City Council.

Leaseholders wishing to sublet must first seek Derby Homes approval, if given we will advise the leaseholder to seek guidance on their responsibilities as a 'Landlord'. Information can be found on the Leasehold Advisory Service (LEASE) website <https://lease-advice.org> or from the government website, <https://www.gov.uk/renting-out-a-property> .

## **6.0 Potential / New Leaseholders**

### **Tenants Exploring RTB**

Any tenant who submits a RTB request will be sent an information sheet which also contains a link to the government's website <https://righttobuy.gov.uk/can-i-afford-it/buying-a-leasehold-property/>

This is not a replacement for legal advice but outlines the some of the things a leaseholder can expect to be charged for, information on the purple line and where to look in their lease for information

### **New Leaseholder**

Once we receive notification that a sale is completed, we will contact the new leaseholder to offer either a telephone or office appointment again this is not to replace legal advice but to go over what the leaseholder can expect from Derby Homes and what Derby Homes expects from a leaseholder. This initial approach is aimed at reducing any problems later on and also gives the opportunity to set up payment plans.

### **7.0 Communications Forum**

We will have two leasehold forums per year with the option for additional meetings should the need arise or there is a specific issue that needs addressing

### **8.0 Complaints**

Complaints from leaseholders will be dealt with under Derby Homes Complaints policy.

### **9.0 Independent Advice**

Leaseholders can contact the Leasehold Advisory Service (LEASE) <https://lease-advice.org> for free legal advice on the law affecting residential leasehold in England and Wales, seek their own legal advice and obtain guidance from the government website, <https://www.gov.uk>

### **10.0 Derby City Council**

We will consult with city council on the suitability of the Leasehold agreement every 3 years or sooner if required by a change in Leasehold law

### **11.0 Discretionary Works to Leasehold Properties**

Derby Homes currently does not offer a general repairs service to Leaseholders. However, there may be safety or environmental reasons for future major works to be offered to Leaseholders whilst wider programmed works are ongoing at the location. Examples of such works include (but are not limited to):

- Fire precaution related installations / upgrades
- Heating, insulation, external cladding, roofing, window replacement works

These will be considered on a case-by-case basis to consider if rechargeable works will be offered to leaseholders at that time.

### **12.0 Leasehold Repayment Policy – Major Works**

The Council is currently considering the introduction of a Major Works Repayment Policy for Leaseholders. This would enable major works costs to be repaid over a longer period of time. The details of this are within a separate Council policy, which would be administered by Derby Homes.