

Fareham Borough Council Leaseholder Handbook

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Leases Explained

What is a lease?

When you purchased your flat or maisonette, either through the Right to Buy or from an existing leaseholder, you bought the leasehold interest in that property. The Council retains the freehold interest.

Generally, as a leaseholder you will be responsible to maintain the area within the flat and the freeholder (the Council) is responsible for the exterior.

Your lease is a legal agreement between you and the Council. It sets out your rights and responsibilities and those of the Council. It also details which parts of the block you own and what rights you have over the communal areas.

Can I get a copy of my lease?

The Land Registry can provide you with a copy of your lease for a small fee.

Can I change my lease?

Your lease can be changed after you have signed it. However, as it is a legal document this can only be altered through a 'Deed of Variation'.

Please be aware that:

- You will need to contact your solicitor for advice and to change the lease
- There will be a cost for changing the lease
- The Council can agree or challenge any changes you want to make

You can also add more years onto your lease. Most leaseholders have the right to purchase an extension to the terms of their lease.

Leases usually run for 125 years from the date when the first flat in the building was sold. You may be able to buy a new lease, which would add on 90 years.

Please be aware that the following applies:

- You must have been a leaseholder for at least two years
- In some circumstances, some leases do not allow the lease to be extended and only provide for the freehold to be purchased
- The value of the extension has to be approved by the Council
- The Leasehold Valuation Tribunal (LVT) can be asked to determine the value if an agreement cannot be made

Please contact the Council's Leasehold Management Officer on 01329 824499 before making any changes.

What are the Council's responsibilities?

As the freeholder, the Council is responsible for:

- Repairing, maintaining and redecorating the structure and exterior of your property, when required
- Insuring the building against fire, lightning, explosion and other risks
- Ensuring smoke alarms are fitted. This may mean installing any smoke detection equipment or other apparatus for the detection of fire at your expense or to inspect or repair such equipment at any reasonable time

- Managing your block or estate, including grounds maintenance and parking areas
- Advising you of the yearly estimate of service charge for your flat (in March)
- Providing you with a summary of costs at the end of each year showing the actual costs for services to your block or flats over the previous year, and your contribution (in September)
- Collecting any shortfall in these costs
- Consulting with leaseholders before undertaking any major works to the building
- Provide you with the services as set out in your lease

What are my responsibilities?

Your role as a leaseholder is similar to that of any other property owner.

The interior of your property is your responsibility to maintain and includes:

- Internal walls, plasterwork, ceilings and floor surfaces
- Tanks, cisterns, drains, pipes and ducts
- Conduits, plumbing and wiring which serve your home only

- Internal decorations

In addition to the maintenance of your home, you must also:

- Pay the Ground Rent each year
- Pay the Council Tax for your home
- Internal fixtures and fittings unless they belong to the council – for example an entry phone
- Pay the service charges levied each year
- Permit access to your property by persons authorised by the Council at all reasonable times for inspection purposes or for carrying out any repairs or decorations
- Use your home for residential purposes only
- Observe the requirements referred to in the lease
- Keep the communal entrance doors of flats shut.
- Please do not allow non-residents to follow you into the block
- Ensure that any gas appliances are serviced annually to ensure your safety as well as others. If you sub-let, this is a legal requirement



Service Charges

What are service charges?

Service charges cover your share of the cost of maintaining, repairing, insuring and providing services to the block or estate where you live.

Many of the Council's blocks have a mix of Council tenants and Leaseholders. We only charge you for the proportion of your costs, you do not pay for any repairs to other tenants' homes.

Service charges are made up of:

- **Insurance** - The Council insures the buildings against fire, flooding, falling trees, storm damage, etc. It does not cover the contents of your home
- **Cyclical Repairs** – These are a contribution to the costs of recurring works which are usually planned for. They can include works such as external decoration, re-roofing, replacement of external or sewer works. Leaseholders are asked to pay a proportion each year into a cyclical repair fund in order to contribute to the works when they are carried out
- **Communal Services** – This relates to the costs of communal services such as general cleaning, window cleaning, lighting, heating and grounds maintenance
- **Management Charges** – Not all leaseholders will pay a management charge. These charges include; day-to-day running of the service, calculating your service charge estimates and actual statements and arranging building insurance
- **Day-to-day Repairs** – These cover contributions towards the cost of repairs, maintenance and improvements carried out to the building or property in accordance with the terms of the lease.

Generally, these relate to the outside of the building and communal areas.

How are the costs calculated?

Leaseholders pay a proportion of repair costs, depending on the number of properties in the building. Costs are divided by the total number of homes in the block.

For example, if there are 16 properties in a block, and the total cost of the works was £1000, each leaseholder would pay £62.50 (£1000 ÷ 16)

Ground Rent

This is the annual sum paid by the leaseholder to the Council, as the owner of the ground on which the property stands. It is set at a fixed amount in your lease and will not change from year to year. The Ground Rent Invoice is shown separately on your service charge statement.



What is a Service Charge 'Estimate'?

Around March each year, leaseholders are sent a copy of the service charge estimate for the coming financial year.

The service charge estimate provides a rough guide to the charges for the forthcoming year. These are based on:

- Ground Rent
- Buildings insurance
- Communal services

What is a Service Charge ‘Actual’?

Around September each year, leaseholders will receive a service charge statement showing the actual costs incurred for 1 April to 31 March in the previous financial year. This is based on your Service Charge ‘estimate’ and is the invoice for payment.

If you made a payment when you received your estimate and it was more than your actual (the invoice), you will receive a refund for the difference.



How can I pay my Service Charge?

You will need to pay your Service Charges within 28 days of receiving the invoice. You can do this in a variety of ways:

- By going onto our website at https://www.fareham.gov.uk/pay_for_it
- By calling our automated phone service (24/7) 0345 6066 876
- In person at the Civic Offices by cash, cheque, debit or credit card
- By Standing Order - please contact the Leasehold Management Officer to set this up
- By direct debit

You can pay monthly, quarterly or yearly. You will need your account number when you make a payment.

I am having trouble making payments, what can I do?

If you are having trouble making payments, you can reach out to the following teams:

- The Leasehold Management Officer for help and advice about paying service charges or major repair and improvement costs.
- Your mortgage lender for problems with your mortgage payment
- The Citizens Advice Bureau for independent advice

If you have problems in paying your service charges or are awaiting the outcome of a benefit claim, please let us know as soon as possible.

Questioning Service Charges

I have a question about my Invoice

If you have a question about your invoice, please contact the Leasehold Management Officer.

I'm not sure I am being charged correctly

When you receive your estimate and actual, we send you a written statement of all the costs within your service charges. You can ask for a copy of any relevant documents relating to these up to six months after receiving the statement.

Please contact the Leasehold Management Officer for these documents.



I don't think the service charges are reasonable

If you think the service charges are unreasonable, please contact the Leasehold Management Officer.

You have the right to take your case to a Leasehold Valuation Tribunal (LVT). The LVT hears both sides of a dispute and makes a decision based on the evidence, judgement and experience of the LVT members.

There is a fee payable to the LVT for this service.

I don't think I am getting good quality service from the contractor

If you are unhappy with the service or works from the contractor, please contact the Leasehold Management Officer as soon as possible.

If you can do this whilst the contractor is on site, it is easier for us to remedy the situation more quickly.

I don't think I am getting good service from the Council

Please contact the Leasehold Management Officer with any concerns as soon as possible.

If, following our response, you still do not agree, you have the right to appeal to the First-Tier Tribunal.

Further details can be obtained by calling 01243 779394 or visiting <https://www.gov.uk/courts-tribunals/first-tier-tribunal-property-chamber>

Repairs

Can I make repairs or alterations to my property?

Before you make any alterations to your property that is the Council's responsibility you will need to get permission from us. This may include any work that may affect the structure of the building, such as window or external door replacements.

Permission is not required if you want to paint your internal walls, fit shelving, built in wardrobes, new bathroom suites or kitchen units.

How do I report a repair the Council is responsible for?

Repairs should be reported to our repairs service on 0800 1412 194 or you can email:

responsiverepairs@fareham.gov.uk.



What are my repair and maintenance responsibilities?

Generally, you are responsible for the repair and maintenance inside your home and for items that only you use, such as:

- Internal repairs of walls, floors, doors and windows and decoration inside your home
- All fixtures and fittings, such as sockets, fittings, toilets and wiring
- Heating and hot water systems

If you are unsure of your or the Council's responsibilities, please contact the Leasehold Management Officer.

What are major works?

Major works are large, one-off works of repair, improvement or redecoration to your building or the area around your building. Major works are different from the 'day-to-day' repairs and form part of a rolling programme of redecoration/repair.

Major repairs include:

- New windows
- Repairs to pathways
- Repairing or redecorating roofs
- Repairing or redecorating masonry

All leaseholders will have to contribute towards the cost of major works. These costs will be detailed in your service charges invoice

The Council has a legal duty to formally consult prior to carrying out major works or improvements where the cost exceeds £250. This is a legal notice called a 'Section 20 Notice'. We will send you two letters inviting you to comment (within 30 days) on:

- The intention for us to carry out works - this is before we ask contractors to give us an estimated cost. It tells you what works we propose to undertake and why the works are required
- The two lowest estimates - we will break these down to show how much leaseholders will need to pay and a summary of other comments that have been received.

Buying, Letting and Selling

Can I buy the freehold to my flat?

You have the right to purchase the freehold of the block. Leaseholders who wish to buy the freehold must represent at least half the number of flats in the block and it must be where at least two-thirds of the flats are owned by leaseholders.

Buying the leasehold will mean that leaseholders are responsible for all management and maintenance of their block. This is known as 'Enfranchisement'.

The leaseholders who wish to purchase will also need to form a 'right to enfranchisement' company and agree on the freehold value with the Council.

For more information, you can contact:

- The Leasehold Management Officer
- Citizens' Advice
- An independent solicitor



How do I sell my flat?

You can sell your flat privately or through the open market, via an estate agent. Make sure you have all the invoices and service charges information in a safe place, as you may need these.

Once you have found a buyer, your solicitor will contact us for the

'Leaseholder Enquiry Pack'. This pack includes:

- Past and present service charge accounts
- The insurance schedule
- Any proposed major works that will affect the property
- The requirements for transferring ownership of the property

Can I sell if I am in arrears?

You can still sell if you are in arrears. You will however need to ensure that outstanding payments are made otherwise you will not be able to complete the sale.

Do I have to repay my 'Right-to-Buy' discount if I sell my flat?

If you received a discount on the purchase of your home under 'Right-to-Buy' you will only need to repay if you sell within 5 years. The amount of discount you must repay will be based on the resale value of your home, regardless of the value of any improvements made to it.

Do I have to sell my leasehold back to the Council?

Under the Housing Act (2004) the Council has the 'Right of First Refusal'.

This means that if you are a former Council tenant who first purchased the property under 'Right-to-Buy' you need to ask us first whether we wish to buy the property back.

This is only for 10 years after the date of purchase. If we decide not to buy your property, you can sell it on the open market.

What happens after the sale has completed?

We need to update our records once the sale is completed so we will need some a few things from you.

The procedure is:

- You or the new owner need to tell the Leasehold Management Officer about the change of ownership
- The new owners will need to sign a Deed of Covenant stating they agree to the terms and conditions of the lease
- The new owner's solicitor must send a Notice of Assignment to the Leasehold Management Officer, plus our current fee.



Can I sublet my property or have a lodger?

You can rent all or part of your home to someone else. This is called subletting.

Before you sublet you need to do the following:

- Check with your mortgage lender that you have permission to sublet your home
- Tell the Leasehold Management Officer you are subletting within one month
- Advise your insurer you are subletting
- Ensure your gas appliances are serviced and that you get a Landlord's Gas Safety Certificate

- Ensure you pay the service charges and ground rent as you remain responsible for these
- Tell the Leasehold Management Officer your forwarding address, if you are living elsewhere
- Tell the Leasehold Management Officer the details of the occupants in your home.
- Make sure your tenant understands the terms and conditions of the lease.

If the tenant breaks the conditions action may be taken against you, even if you do not live there

Loans and Grants

Can I get a loan from the Council to improve my property?

There are several types of grants or loans available to assist leaseholders who wish to improve and repair their homes.

There are also grants available to assist people with disabilities to adapt their homes for their individual needs.

The loans available are:

- **Disabled Facilities Grants** up to the sum of £30,000 per applicant. This enables householders in private sector housing to carry out essential adaptations to their homes, allowing a disabled person to live more independently.
- You will need to contact an Occupation Therapist to start the process.
- **A Home Improvement Loan** to help home-owners on income related benefits meet the cost of remedying disrepair, eliminating serious hazards, installing modern facilities or an efficient heating system.
- **Service charge loans** If your property was previously sold under 'Right-to-Buy' and your service charges total more than £1,500 in one accounting period, you may be eligible for a service charge loan. This will be repayable within 3 years.

You will need to contact the Leasehold Management Officer for more details.

Safety and Security

Here are a few recommendations to make you feel safer and to help protect your property:

- **Fire Safety** - ensure your property is fitted with smoke detectors and that these are tested monthly.
- **Gas Safety** - ensure that any gas boilers and appliances are checked or serviced at least once a year by a Gas Safe registered engineer. If you sub-let your flat, it is a legal requirement that you have your boiler serviced annually.
- Invest in a carbon monoxide detector

If you smell gas, or think there is a gas escape or carbon monoxide leak:

- **Open all doors and windows**
- **Do NOT turn lights on or off**
- **Shut off the gas supply at the meter control valve.**
- **If gas continues to escape, call National Grid on the Gas Emergency Freephone Number 0800 111 999 and wait outside**

Bogus/Unwanted Callers

Do not let anyone into your home that you don't know without checking their identity first.

Phone the office or company for who is trying to gain access to your home to confirm who they are. Consider fitting a spyhole or door chain to your front door.

If you are not sure, do not let them in – All Council Employees will show you their ID badge

Nuisance and Anti-Social Behaviour

What is Nuisance and Anti-Social Behaviour?

Nuisance and harassment can affect both leaseholders and tenants.

Generally, the Council defines 'Anti-Social Behaviour' as behaviour by residents, members of their household or their visitors, which causes annoyance, nuisance or disturbance to anyone else in the area.

It includes:

- Excessive noise
- Verbal abuse
- Criminal damage to property
- Alcohol, drugs or solvent misuse
- Harassment
- Criminal behaviour
- Nuisance from vehicles or pets
- Misuse of communal areas

You should contact the police immediately if you have suffered from physical assault or damage to your property

What Can I Do about Anti-Social Behaviour?

If you are experiencing anti-social behaviour you should:

- Contact the Council giving details of what happened
- If the Police have been involved, make a note of the crime number that they give you
- Keep a diary of the events
- Report any vandalism or graffiti to the Customer Service Centre
- If you are experiencing noise issues, speak to your neighbour in the first instance. They may not realise there is an issue

What will the Council do about Anti-Social Behaviour?

If any anti-social behaviour is reported to us we will:

- Contact the tenant causing the problem. We will not disclose your identity
- Liaise with the Police, if necessary
- Advise you on how to keep a diary
- Mediate, if appropriate
- In some cases, we may need to take legal action

Leaseholder Participation

How can I keep involved?

The Tenants' and Leaseholders Forum provides tenants and leaseholders with an ideal opportunity to meet with each other and to let us know about any issues.

Meetings also give you a chance to give us feedback on the services that we provide and to influence decisions made about your homes and communities.

You can also find out what is happening nationally in the housing sector.



All leaseholders are welcome to attend meetings and/or have their contact details added to our mailing list.

Dates and times of meetings are shown in the Tenants' Voice newsletter and on our website.

Do you have a newsletter?

We all tenants and leaseholders receive a newsletter twice a year called 'Tenants' Voice'. This is produced by a team of tenants and Officers.

If you have any comments or suggestions for articles, please contact

our Tenant Involvement Officer or the Leasehold Management Officer.

What are 'Estate Monitors'?

Estate Monitors are made up of volunteer tenants and leaseholders.

The Estate Monitors give feedback in which is used to address areas of concern and to report on levels of satisfaction from leaseholders and tenant.

If you would like to volunteer as an Estate Monitor, please contact the Tenant Involvement Officer or the Leasehold Management Officer.

Comments and Complaints

Our aim is to provide customers with the highest quality service, and we welcome any comments you have.

- Your compliments let us know we are getting it right
- Your comments tell us what you think
- Your complaints help us see where we may need to improve

Comments or complaints can be made by writing to the Council or visiting our website

https://www.fareham.gov.uk/have_your_say.

Useful Contacts

Housing Contacts

- **Leasehold Management Officer**
01329 824499 or
leaseholdmanager@fareham.gov.uk
- **Neighbourhood Manager** - 01329 824618
- **Neighbourhood Officer (Stubbington and Fareham SE)** - 01329 824492
- **Neighbourhood Officer (North Fareham)** - 01329 824458
- **Neighbourhood Officer (Western Wards)** - 01329 824464
- **Neighbourhood Officer (Fareham S.W. and Portchester)** - 01329 824484
- **Email** - housing@fareham.gov.uk
- **Tenant Involvement Officer** - 01329 824463
- Responsive Repairs - 0800 1412 194 or
responsiverepairs@fareham.gov.uk
- Building Services Planned Maintenance team - 01329 236100

or email

buildingprojects@fareham.gov.uk

Other Council Services

- **Customer Service Centre** - 01329 236100 or
customerservices@fareham.gov.uk
- **Out of hours emergencies** - 01329 236100
- **Benefits** - 01329 236100 or
benefits@fareham.gov.uk
- **Environmental Health (Noise Complaints, out of office hours)** - 0800 374485

Hampshire County Council

- **Adult Services** - 0300 555 1386
- **Occupational Therapy** - 0300 555 1390 or
adult.services@hants.gov.uk
- **Children's Services** - 0300 555 1384 or
childrens.services@hants.gov.uk

Other useful contacts

- **Hampshire Police** - 0845 045 4545
- **DWP (Department for Work & Pensions)** - 0800 055 6688
- **Citizens Advice** - 08444 111 444
- **Samaritans** - 116 123

Emergency Contact Telephone Numbers

- **Emergency Services (Police, Fire or Ambulance)** - 999
- **Police (Non-emergency)** - 101
- **Crimestoppers** - 0800 555 111
- **Gas (National Grid - emergencies)** - 0800 111 999
- **Southern Electric (Emergencies)** - 0800 072 7282
- **Portsmouth Water (Emergencies)** - 023 9247 7999
- **Southern Water (Emergencies)** - 0330 303 0368

