

Stoke-on-Trent City Council

# Leaseholder Handbook

2018



City of  
**Stoke-on-Trent**

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## Welcome to Stoke-on-Trent City Council's Leaseholder Handbook

We have designed it as a handy way of having useful information in one place for existing and prospective leaseholders of the City Council.

It outlines the rights and responsibilities and explains service charges, repairs and the services provided by Stoke-on-Trent City Council to its leaseholders.

This handbook contains advice on many areas, but you should always refer to your lease and other legal agreements for full details.



### Leaseholder Service Team Contact Details

#### Email



**Email:**  
[leaseholderServices@stoke.gov.uk](mailto:leaseholderServices@stoke.gov.uk)

#### Telephone



**Telephone:** 01782 235540  
(Office hours only)

#### In Person



**Address:**  
Civic Centre  
Glebe Street  
Stoke-on-Trent  
ST4 1HH

#### Post



**Postal Address:**  
Leaseholder Services  
Civic Centre  
Glebe Street  
Stoke-on-Trent  
ST4 1HH

## Rights and Responsibilities



Leaseholder property is property which you own for a fixed period of time. You will have a legal agreement with the landlord (also known as the freeholder) called a lease, which will tell you how many years you will own the property and also your rights and responsibilities. When you buy leasehold property you are known as a leaseholder.

When you have bought a property where the City Council retains the freehold, the City Council will be your landlord and both parties (i.e. the council and you, as the leaseholder) have a legal duty to make sure you keep to your respective obligations, as set out in the lease.

When you buy your flat or maisonette you become bound by the conditions of the lease. Your solicitor should have given you a copy of your lease when you buy the property and explained your rights and responsibilities, as well as the council's rights and responsibilities.

Your lease is an important legal contract so please take time to read it and keep it in a safe place. It is important that you keep to the conditions of your lease.

## Service Charges

Service charges are a key consideration in taking on a lease and are part and parcel of becoming a leaseholder. Service Charges are recoverable costs incurred through the management and maintenance of the building and grounds and gardens within which your leasehold property is located.

### **This may include the following:**

- Health and safety, scheduled services and checks
- Communal area repairs
- Cleaning of communal areas
- Communal energy charges
- TV Aerial
- Buildings insurance
- Administration costs
- Grounds Maintenance

This is not an exhaustive list.



## Frequently Asked Questions



### How is my service charge bill worked out?

The service charge is calculated so that the leaseholder pays a proportional share of the cost of providing services to their block, in accordance with the lease. The proportional sum is calculated for each individual flat or maisonette by dividing the cost of the services received by the number of flats in the block. This is completed for each element of the service charge and totalled to give the leaseholders apportioned contribution.

The administration cost is an aggregate amount set at 15% of the total cost of the bill per block and divided by the amount of properties in each particular block.



### When will I receive my bill?

In September every year the City Council will issue an estimated invoice for the current financial year (i.e. 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018). The amount charged is specified as a fair and reasonable interim payment and will represent the approximate service charge cost to the leaseholder for the current financial year.

As soon as possible after the end of the accounting period, usually May, the City Council will issue a final invoice showing the actual service charge costs for the services provided to their flat block for the previous financial year.

The City Council will include a summary of rights and obligations with all invoices.



### What if I don't think my bill is correct?

Should you wish to dispute or query the whole or part of your service charge you may request a summary of the service charge account. You must make the request in writing and the City Council will respond within one month of the request or other such time limit in accordance with Section 21 Landlord and Tenant Act 1985.

## Repairs – Who is responsible for what?



### Leaseholder

The leaseholder is responsible for the repair and maintenance of:

- The internal decoration, including the flooring, interior doors, carpets and paintwork
- Furniture and appliances
- Interior faces of external walls, internal walls and the internal ceiling including plasterwork
- Window glass
- Any pathways, gardens and fences which have been designated to the leaseholder in their Lease
- Internal plumbing and wiring
- All walls, drains, pipes, cables and wires belonging solely to the property

### Freeholder

As the freeholder of the block and landlord, the City Council are responsible for repairing and maintaining the structure, exterior and any common parts in and around the block the flat is in such as halls, landings and stairs, and including:

- The building's structure, including the roof, guttering and the foundations to the building
- Window frames and handles
- Any path or access way over which the leaseholder has a right of way by virtue of their lease and which remains within the council's ownership and all gas, water pipes and drains and electrical cables and wires not contained within the leaseholder's property but are used by the leaseholder
- The shared parts of the building such as main entrances, passages, lifts and communal stairways, communal gardens and pathways and shared windows
- Communal heating in the building

## Reporting a communal repair

- **Online at:** [www.stoke.gov.uk/housingrepair](http://www.stoke.gov.uk/housingrepair)
- **Call us on:** 01782 234100.
- **In person** at your nearest local centre
- **In writing to:** Unitas, Stoke-on-Trent City Council, Alton House, Cromer Road, Northwood, Stoke-on-Trent, ST1 6AY



## Ground Rent

Ground rent is £10 per year and is a rental paid to the City Council. The full amount is due on the 1st April every year and is billed by way of a separate invoice. Ground rent invoices will be sent no more than 30 days in advance of the due date. Ground rent statements will comply with the requirements of the Commonhold and Leasehold Reform Act 2002

## Major Works

As per paragraph 6 of The Service Charges (Consultation Requirements) England Regulations 2003 the council has a duty to consult with leaseholders when carrying out works to a property where these works will result in a charge to any one leaseholder of more than £250. These works are known as major works.

Repairs are delivered by Unitas who carry out all repair works to council owned residential properties, including blocks of flats and maisonettes. All Leaseholders have been served with a notice advising of the City Council's intention to enter into the agreement prior to its completion.

Where Unitas are unable to commission the repair works under the qualifying long term agreements, companies will be asked to tender for the work, via the open market.

In these instances the city council will serve all leaseholders affected with a Section 20 notice which will include all information detailed within Schedule 3 of the above mentioned regulations which includes:

- A description of the works or details of the place and hours at which a description of the works may be inspected
- Reasons why it is considered necessary to carry out the works

- An estimate of the total amount per block
- The address to which comments or observations to the work should be sent
- The due date on which the consultation period ends

The City Council must have regard to all observations made by the due date, and must respond to any leaseholder within 21 days of receipt of any observations. Further, where a qualifying long term agreement is not being used, leaseholders will be able to nominate a contractor who they think should be given an opportunity to tender for the works.





## Paying for major works to your leasehold property

Stoke-on-Trent City Council is committed to keeping its housing stock in a good state of repair. This means that from time to time we will need to carry out major works, such as lift or roof replacement, or replacing door entry systems.

Your lease states that you must contribute a share of the costs of any repair or maintenance to the building. Charges for major works will be shown on your service charge invoice, on either your estimated or final invoice. A discount of 2.5% of the cost of major works / of the total invoice amount can be achieved if the invoice is paid in full within 30 days of receiving it.

However, we recognise that it may be difficult for some leaseholders to meet these costs, and therefore, there are a number of payment options for you to consider:

### 1. Up to 24 months interest free payments

- 12 months interest free payments for amounts less than £3,000.
- 24 months interest free payments for amounts of £3,000 or above.

To set up a payment plan please call the Sundry Debtors Team on 01782 232964. Payment plans can only be agreed if you are able to pay by direct debit.

### 2. Loan from your mortgage lender or any high street lender

- **If you already have a mortgage** you may be able to apply for additional borrowing on your mortgage or an additional loan. If borrowing more on your mortgage you may be able to extend your mortgage period so that you continue to pay the same monthly payments or increase your monthly payments to cover the additional borrowing. You should contact your mortgage provider to discuss your options.
- **If you do not have a mortgage** it may be possible for you to take out a mortgage to cover the costs of the major works or you could apply for a loan from any high street bank or building society.

### 3. Mandatory Loan

The law states that we must offer **eligible** leaseholders a loan to help meet the cost of charges for repairs and improvements. This is known as a “mandatory loan”. If you are eligible, we will advise you when we send you your service charge invoice.

The entitlement to a mandatory loan is set by government legislation.

- The property must have been purchased under the Right to Buy scheme (not the preserved Right to Buy) less than 10 years ago

- The landlord must be the housing authority which sold the lease
- The leaseholder does not have to be the person who originally purchased the flat  
The leaseholder only has the right to the loan if the service charges exceed £1,500 in one accounting period
- The loan can only cover charges for repairs and improvements (separate service charge bills may be added together for this purpose).

You may only borrow the amount by which the service charges for the accounting period exceed £1,500. This means you must pay the first £1,500 of the service charges.

You may only borrow to cover charges for repairs and improvements. Services, maintenance, cleaning etc. are not included.

The minimum loan is £500 and the maximum £20,000 (taking any earlier loans into account and which remain unpaid in full) and the loan will accrue interest.

For example: Total service charges are £7,000. This is made up of £2,500 for repairs, £4,000 for improvements and £500 for maintenance. The maximum loan you would be entitled to is £5,500 (£7,000 minus £1,500).

#### **a) Terms of a Mandatory Loan**

The loan has a variable interest rate set at the current City Council mortgage rate (4.46% in January 2018). The loan must be repaid by equal instalments of principal and interest over;

- Three years for loans less than £1,500
- Five years for loans between £1,500 and £4,999.99
- Ten years for loans of £5,000 and above

You can choose to pay over a shorter period if you wish.

#### **b) Costs**

There is a £100 charge to cover administration expenses incurred by Stoke-on-Trent City Council.

#### **c) Security**

The loan will be secured by a charge on the property, in effect a mortgage, whether or not your property has any equity. Stoke-on-Trent City Council strongly advises leaseholders to seek independent financial and legal advice before making an application. This is to ensure that you select the most appropriate solution to suit your circumstances.

#### **d) Time limits**

If you wish to accept a mandatory loan you must respond in writing within six weeks of the offer being made and your response must be sent to either:

- [leaseholderservices@stoke.gov.uk](mailto:leaseholderservices@stoke.gov.uk) or
- The Home Ownership Team, Civic Centre, Glebe Street, Stoke-on-Trent, ST4 1HH.







## Fire Entrance Doors

The City Council has a duty under the Regulatory Reform (Fire Safety) Order 2005 to take general fire precautions in respect of the common parts within its residential Buildings which includes landings and stairs. The duties do not extend to individual properties within the Building, but, in order that the City Council can comply with its applicable duties, it has undertaken a programme of installation of fire resistant doors to each property, complying with current British Standards applicable to fire resistant doors, which has been carried out following advice and assistance from Staffordshire Fire and Rescue Service.

These doors are integral to the prevention of the spread of fire to the common parts and leaseholders are therefore required not to interfere with the doors in any way, including, but not limited to fitting or installing any security lock, chain, bolt or other device or item. If the City Council has to replace the door due to it no longer being a fire resistant door caused by the actions of the leaseholder or their subtenant, visitors, agents or workmen, the City Council will seek reimbursement of the full cost of the replacement door and installation from the leaseholder via the service charge.

## Insurance

As a condition of the Lease the City Council will take out building insurance to cover all high and low rise/maisonette blocks of flats. The leaseholder contribution towards the cost of building insurance is included within the annual service charge. The building insurance provides cover for damage caused to the building by:

Fire	Explosion	Aircraft Collision	Earthquake	Lightning	Impact
					

In addition high rise blocks are also covered for:

- Storm damage;
- Floods and escape of water.

The policy insures each building up to the replacement value of the building plus the replacement of all individual flats including the leaseholder's if so required, but it does not insure the leaseholder's contents. Responsibility for insuring the contents of the property including fixtures and fittings rests with the leaseholder and it is strongly recommended that all leaseholders arrange their own home contents insurance which is suitable to their needs and requirements as deemed by themselves.

## Alterations and Improvements

Under the terms of the lease the leaseholder will require the City Council's permission to carry out any alterations and improvements affecting:

- The City Council's fixtures and fittings; or
- The exterior of the building; or
- The structure of the building (including the removal of internal walls)

Leaseholders wishing to carry out alterations or improvement works to their home must apply for the City Council's consent as required by the lease and provide details of the proposed works. Consent may be granted subject to conditions, such as obtaining planning permission and/or appropriate buildings regulations consent, where this is required. Contact the City Council to apply for consent to carry out alterations and improvements.

## Lease Extension

Lease extension is provided for in the Leasehold Reform, Housing and Development Act 1993 (as amended). Technically it is not an extension, but the issue of a new lease for 90 years, plus the balance of the old lease and generally on the same terms as the existing lease. A lease is known as being 'short' if it has less than 80 years remaining. Lease extensions can be statutory or discretionary. In order to qualify for a lease extension, a leaseholder must have owned the property for at least two years. To speak to someone regarding Lease extension please contact the Leaseholder Services:

[leaseholderServices@stoke.gov.uk](mailto:leaseholderServices@stoke.gov.uk)

## Selling and letting a flat or maisonette

A Leaseholder must inform the City Council when they sell their home. If you bought your flat from the City Council under the right to buy scheme you may have to pay back some of the discount you received at the time of purchase. If you are selling your flat or maisonette please contact our Leaseholder Service Team.

As a responsible landlord, the City Council wishes to know who is residing within its buildings, if you choose to sub-let your property you will be required to:

- Provide the tenant contact details and the contact details of any management company appointed to manage the letting of the leasehold property
- Ensure that their tenant complies with all provisions contained within the lease. Essentially the leaseholder will be responsible for how the tenant conducts their tenancy
- Ensure that all costs due to the City Council under the terms of the lease continue to be paid



## Leaseholder and sub tenant responsibilities

The leaseholder's responsibilities are defined within the lease. The leaseholder is expected to adhere to a particular standard of behaviour and conduct whilst residing at the leasehold property. The leaseholder should refer to their lease for a full description of their responsibilities. This handbook is not intended to be exhaustive and is used for illustrative purposes only.

Responsibilities		
Description	Your Responsibility	Council's Responsibility
Keep your home in good repair and condition	X	
Keep the structure of the building in good repair and condition		X
Have gas and electrical appliances serviced and tested	X	
Not sub-let, without giving prior notice in writing to the City Council	X	
Not to keep any dogs, cats, pigeons or other animals or birds (other than budgerigars and similar small caged birds) on the property without written consent of the City Council	X	
Not to cause annoyance or inconvenience to neighbours	X	
Pay your share of the block insurance	X	
Repay any discount which is repayable if the property is sold within the first 5 years of purchase from the City Council under the right to buy scheme	X	
Not to carry out any trade or business from your property without the consent from the City Council.	X	
Pay the Ground Rent	X	

<b>Not make any alterations/improvements to the property without consent from the City Council</b>	<b>X</b>	
<b>Consulting with you before doing any major works to the building</b>		<b>X</b>
<b>Not bring bottle petroleum, gas or any other potentially explosive material into your property or anywhere in the building</b>	<b>X</b>	
<b>Arranging building insurance</b>		<b>X</b>
<b>Pay any Service Charges</b>	<b>X</b>	
<b>Pay a proportion of all repairs and improvements, including any major repairs</b>	<b>X</b>	
<b>Use your home only as a single private property for residential use (unless you get permission from the City Council)</b>	<b>X</b>	
<b>Insure Contents of the property</b>	<b>X</b>	

## Dealing with Anti-Social Behaviour

Stoke-on-Trent City Council is committed to creating a safer, stronger and healthier city, where residents can live free from anti-social behaviour and have the opportunities to live their lives well.

A leaseholder may report any incidences of Anti-Social Behaviour either:

- On-line [www.stoke.gov.uk/asb](http://www.stoke.gov.uk/asb)
- To a Local Centre
- One Stop Shops or other council offices.
- Telephoning the City Council on its dedicated Anti-Social Behaviour number: 0800 561 5610
- Telephoning the council on its general enquiry number: 01782 234234
- By email to [enquiries@stoke.gov.uk](mailto:enquiries@stoke.gov.uk)



A customer may report Hate Crime by;

Contacting Challenge North Staffs on 0330 1111999.

Filling out an On-line self-reporting form <https://challengenorthstaffs.org/self-reporting-form/>

## Let us know how we are doing

Stoke-on-Trent City Council actively encourages all customer feedback about its services. Please let us know if you are not satisfied, or have a suggestion about how we could do things differently. We also welcome comments and compliments.

If you are not satisfied with the level of service you have received from the City Council you may wish to register a complaint through the formal complaints procedure.

Details are available from any City Council office or online [www.stoke.gov.uk/feedback](http://www.stoke.gov.uk/feedback)

In line with this procedure, the initial complaint will be acknowledged in writing within two working days and information will be provided about who is dealing with the complaint. The City Council will aim to respond within 10 working days. If the complaint is more complicated, it may take longer to resolve and the City Council will provide regular updates until the complaint is resolved.

**First-Tier Tribunal (Property Chamber)** if you have followed the complaints procedure and remain dissatisfied with the council's decision you have the right to apply to the relevant tribunal to settle your dispute.

The fee payable to the tribunal will vary and will be dependent upon the type of application. It is suggested that you contact the Leasehold Advisory Service who are an independent body and will be able to provide advice on how to proceed with your application. You can find them at <http://www.lease-advice.org>

## Useful Contacts

### Leaseholder Services:

- **Email us at:** [leaseholderServices@stoke.gov.uk](mailto:leaseholderServices@stoke.gov.uk)
- **In person:** Civic Centre, Glebe Street, Stoke-on-Trent, ST4 1HH
- **Post:** Leaseholder Services, Civic Centre, Glebe Street, Stoke-on-Trent, ST4 1HH
- **Telephone:** 01782 235540 (office hours only)

### Repairs (Communal Repairs Only):

There are several ways that you can contact us to request a housing repair:

- **Email us at:** [enquiries@Unitas.co.uk](mailto:enquiries@Unitas.co.uk)
- **In person:** at your nearest Local Centre
- **Telephone:** 01782 234100
- **Text us on:** 07786 200700

**Leaseholder Advisory Service:** [www.lease-advice.org](http://www.lease-advice.org)