



Homes for Haringey

Home Ownership Team  
3<sup>rd</sup> Floor, 13-27 Station Road  
London N22 6UW.  
Tel: 0800 195 3404

29 Feb 2008

ADDRESS  
ADDRESS  
ADDRESS  
ADDRESS  
ADDRESS

Dear Leaseholder

**Leaseholder Property Service Charge**

Leasehold address: ADDRESS

**Re: ENCLOSED NOTICE CONCERNING PROPOSED LONG TERM AGREEMENT relating to building Insurance policy. (Section 20 of the Landlord and Tenant Act 1985 (as amended) and Schedule 2 of the Service Charges (Consultation Requirements) (England) Regulations 2003).**

Please find **enclosed** the *Notification of Landlord's Proposal* which must be sent to you under the above Regulations. We are sending you this notice because Haringey Council proposes to enter into a long term agreement for building insurance with regard to council leasehold properties in the borough.

This agreement will enable the Council to continue to meet its responsibility to insure its housing stock. The Council insures your block against a number of risks, which covers damage to the structure of the building as well as the shared (communal) areas.

The cost of the building insurance is included in your annual service charge bill. Please note that it does not include the contents of your property (your belongings). If you want insurance cover for your contents you will have to arrange a separate insurance policy yourself.

To do this, you can use any insurance company you choose. As an optional service, we have introduced a home contents insurance scheme for all our tenants and leaseholders. The scheme is run by Royal & Sun Alliance Insurance plc – phone number 08457 337788. You can download an application form from our website: [www.homesforharingey.org](http://www.homesforharingey.org) – *information for leaseholders / insuring your home.*

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nesan Thevanesan', is written over a horizontal line. A vertical red line is positioned to the right of the signature.

**Nesan Thevanesan**  
**Head of Home Ownership Team**

**Enc.**



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N22 6UW

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[www.homesforharingey.org](http://www.homesforharingey.org)

This matter is being dealt with by: Team 1 and Team 2

For South Tottenham and Wood Green Areas:  
tel:020 8489 3313

For North Tottenham, Hornsey and Broadwater Farm:  
tel:020 8489 3485

29 February 2008

**NOTIFICATION OF LANDLORD'S PROPOSAL**

**(Section 20 of the Landlord and Tenant Act 1985 (as amended) and  
Schedule 2 of the Service Charges (Consultation Requirements) (England)  
Regulations 2003)**

Dear Leaseholder(s)

**Long Term Agreement relating to: building insurance concerning leaseholders  
of properties sold under the Right to Buy.**

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I write further to the Council's First Section 20 Notice (Notice of Intention), dated the 21<sup>st</sup> of December 2007 regarding the above proposed agreement. This notice is the second stage of the consultation process under section 20 of the Landlord & Tenant Act (1985), as amended by the Commonhold & Leasehold Reform Act (2002).

**1. The proposal.** The Council is proposing to enter into a long term agreement in respect of building insurance for Right to Buy leaseholders. It may result in charges to some leaseholders of more than £100 per annum.

In view of these matters the Council is required by the regulations to consult with all leaseholders who may be liable for a charge arising from the agreement.

The Council has prepared a written proposal in relation to the planned agreement in accordance with Schedule 2, paragraph 4 of The Service Charges (Consultation Requirements) (England) Regulations 2003. A copy of that proposal with respect to your property is **enclosed** with this notice.

**2. Observations on the proposal.** You are invited to make written observations on the Council's proposal. If you wish to do this, you must send your written observations to this office within 30 days of the date of this letter. Our address is Home Ownership Team, 13/27 Station Road, Wood Green, London N22 6UW. The final date for receipt of your observations is the 31 March 2008.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Thevanesan', is written over a thin red horizontal line. The signature is stylized and cursive.

**T. Thevanesan**  
**Head of Home Ownership Team**

**Enc.**



**PROPOSAL**

**IN RESPECT OF A QUALIFYING LONG TERM AGREEMENT RELATING TO BUILDING INSURANCE FOR RIGHT TO BUY LEASEHOLDERS**

(Prepared pursuant to The Service Charges (Consultation Requirements) (England) Regulations 2003 - Schedule 2)

Leaseholder(s):

Leasehold Property Address:

1. The name and address of every party to the proposed agreement other than the Council:
  - (i) Zurich Municipal, PO Box 411, Fareham PO15 7ZS.
2. The proposed basic rate of insurance is £1.55p for every £1,000 insured, plus insurance premium tax of 5%. If you require a cover with accidental damage, then your premium will be calculated at £1.60p for every £1,000 insured.

We will also pass on a 5% discount to you which we receive from the insurers in respect of this agreement. Annual estimated contribution to be incurred for your unit of occupation under the proposed agreement is calculated as follows:

	Basic cover (£1.55 p £1000)	With accidental damage (£1.60 p £1000)
The cost of rebuilding your flat		
Gross premium		
Less: Long term agreement discount of 5%		
Net premium after discount of 5%		
Add: Insurance premium tax 5 %		
Your yearly premium		

3. The intended duration of the agreement is three years, beginning on the 1 April 2008 with an option for an extension for a further two years.
4. The Council has received observations on the Notice of Intention dated 21 December 2007 to which it was required to have regard. For a statement summarising the observations and the Council's responses to them, please see **Appendix 1**.



## APPENDIX 1 (to the Proposal)

### Proposed Insurance Contract - A summary of leaseholder observations and the Council's responses to them in relation to Notice of Intention dated 21 December 2007.

This is a statement of the observations received from leaseholders regarding the Notice of Intention (dated 21 December 2007) to enter into a long term agreement in relation to building insurance for Right to Buy leaseholders. This statement also contains the responses made to the leaseholders by Homes for Haringey (HfH) acting on behalf of the Council.

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1. **Leaseholder observation: What effect will a potential change of insurer have on cover for subsidence, landslip or heave? Will any new insurer continue to carry the risk?** Landlord's response: The landlord will continue to have cover for subsidence and should a decision be made to change insurers any new insurer will continue with the existing cover.
2. **Leaseholder observation: a question was raised which related to whether this agreement is proposed in order to obtain a reduction in the cost of the insurance premium.** Landlord's response: This is not the reason for the proposed new agreement. It is required because the existing contract will come to an end on the 31 March 2008.
3. **Leaseholder observation: Why it is proposed to change the insurance company since the present insurer (Zurich Municipal) provides a good service at a reasonable cost.** Landlord's response: The reason why the contract is being re-tendered is that the existing one will come to an end on the 31 March 2008. It is therefore necessary under the legislation and the Council's standing orders to invite competitive tenders from a number of possible contractors, to ensure that best value is obtained.

4. **Leaseholder observation: When will new insurance contract start and will the commencement of the new contract affect any claims that are being processed at the moment?** Landlord's response: the new contract will commence on the 1 April of this year. The current insurance company, Zurich will process all outstanding claims irrespective of whether they are awarded the new contract. Hence there will be no problem concerning any claim a leaseholder has submitted up to the 1 April.

- End -