



Leasehold Panel meeting
Thursday the 31 May 2007

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Minutes of the Leasehold Panel meeting in the Civic Centre Thursday the 31 May 2007.

1. Attendance. Mr R Towerzey, Mr M Ruggins, Ms S Brown (Secretary of the HLA), Mr N Martin-Clark (Chair of HLA), Ms A Goodhew, Ms C Ibrahim, Ms J Daniels, Ms A Amankwah, Mr B Hines, Mr T Iland, Mr M Laheen and Ms E Obilaso.

2. Apologies. Mr S Wood and Ms E Owen sent their apologies.

3. Officers. Mr N Thevanesan, Home Ownership Manager, who chaired the meeting, Ms C O'Reilly, Resident Involvement Officer, Ms P Badiani and Mr B Nicholas, Project Officer who took the minutes.

Mr Thevanesan opened the meeting by thanking those who had attended the Focus Group meeting, which had been requested by the Audit Commission. He understood that the Inspectors had said it had been very useful and constructive.

4. Minutes of the last meeting (30 April). These were agreed as a true record of the meeting. Mr Thevanesan said that he had taken advice on the question, which Mr Martin-Clark had raised at the last meeting as to whether he should be allowed to make sound recordings of the proceedings. Mr Thevanesan explained that this would clearly fall outside the normal rules governing meetings of this nature. Furthermore it would tend to undermine the function of the minutes which was to ensure that there was a record of the proceedings which had been agreed by everyone present and which also expressed the consensus of opinion. He pointed out that there had been no complaints about the essential accuracy of the minutes up until now.

Mr Martin-Clark requested that the reason he had asked for this should be recorded. It was because he felt that an issue he had raised with regard to the minutes of the meeting in February had not been resolved. He had wished to record some matters he had referred to which had not been recorded in the minutes. Mr Nicholas responded that the reason Mr Martin-Clark's remarks had not been recorded in the minutes was that they related to a conversation he had had with Mr Akinfe following the Asset

Management Panel meeting and therefore did not relate to the business of the meeting.

5. Matters arising – action points. Mr Thevanesan reported on the following matters scheduled for action at the last meeting. He understood that Ms Rawitzer had received a copy of the minutes of the March estate inspection early in May - she had reported not having received them. In accordance with what the Panel had decided at the last meeting he said that Winston Reid, Head of Tenancy Management (West) had agreed to give a talk on Homes for Haringey's policies for tackling anti social behaviour at the next Panel meeting. Mr Thevanesan also reported that Pauline Hinds from the Asset Management Team had agreed to give a talk on project management issues in relation to the decent homes programme in response to the Panel's request for a speaker on this subject.

6. Consultation paper - undertaking major works. Catherine O'Reilly, Resident Liaison Officer (Major Works). Ms O'Reilly circulated a copy of the draft consultation plan at the beginning of the meeting and this formed the basis of her talk. A copy of this plan is appended to these minutes.

She began by explaining that in the first instance HfH will write to residents informing them that surveys are to be undertaken and identifying which constructor partner will be responsible for surveying their area. This will be followed by a letter from the Constructor Partner asking for access with dates for surveys in the area & identifying staff to be involved. Surveys for year 1 programme i.e. pilot schemes and the most urgent works identified in Saville's 2003 survey will be done between July and September 2007. After the surveys (in Sept/Oct) a first newsletter will be sent to residents in each project - residents will be written to with survey results and invitation to a meeting.

Works will be split into three categories: essential, desirable, and optional. Ms O'Reilly explained that staff from Homes for Haringey and from the contractors will attend the meeting. An outline of the programme of work for the building and the estimated cost will be provided to those invited to the meeting. Leaseholders will have an opportunity to discuss payment options in relation to their account. Following the meeting, a 2nd newsletter will give feedback and updates. If a 2nd meeting is required it will include an invitation to it, the time and date, etc.

The programme for year 1 should be published (on the website, etc) at the beginning of October. Year 1 projects, scheme design and pricing for year 1 projects will be done between Sept.2007 and Jan 2008 with the agreed maximum price for each project being agreed Jan/Feb. The surveys for the remaining properties (to be carried out in years 2-4) will be done between September 2007 and March 2008. Section 20 notices for year 1 pilot projects will

be sent out in Jan 2008. (Pilot project properties are listed in Home Zones Issue number 5). As well as an estimate of the cost of the work (from the AMP), the notice will contain the scheduled start and end dates for the work. It is proposed that the pilot projects will start in March with the remaining year 1 projects starting in May.

For large/complicated schemes Ms O'Reilly said the Constructor Partner will appoint a Resident Liaison Officer (RLO) who will be residents' first point of contact about any problems on site. At the beginning of each project residents will be sent an information pack containing all the essential information. Where there is internal work the RLO will make contact with residents on an individual basis to agree access dates, choices where applicable, etc. The RLO's contact details will be publicised in an information pack to all the residents concerned. He or she will be contactable during normal working hours and will make appointments to see residents where necessary. The RLO will be responsible for sending monthly newsletters to all residents during the period of work on site. Residents will be given the opportunity to appoint representatives to attend monthly site meetings.

Where block costs increase by more than 10% above the section 20 estimate, leaseholders will be sent a letter informing them of the reasons for the increase. Homes for Haringey's Client Representative will be responsible for doing this in conjunction with the Home Ownership Team. Residents will be involved in signing off any internal works to their homes and asked to complete a satisfaction questionnaire. The signing off of the work will be the responsibility of the Site Manager (Constructor Partner), Clerk of Works (Compliance Team) and the Client Representative (Homes for Haringey – Asset Management). All residents will be asked to complete a customer satisfaction survey after any works had been completed. This will be the responsibility of the RLO and the Client Representative.

Leaseholders will receive three letters after the works had been completed. The first will list the works which had been undertaken in relation to the section 20 notice and invite observations. The second letter will indicate what action had been taken in relation to any observations which had been received. It will advise that the works are substantially complete and are now subject to the defects liability period. It will give the necessary details for reporting any defects that subsequently become apparent. The third letter will indicate when the final invoice will be raised. All residents will be informed of the date of the end of the defects liability period and asked for their comments.

Panel Members raised a number of questions in response to the information provided by Ms O'Reilly. With regard to the installation of windows, they wanted to know whether there would be any choice in respect of type and style. The question was also raised as to what sort of choices residents will have in relation to exterior and communal works. It was felt that some clarification was necessary concerning the agreed maximum price.

Members asked how it was defined and how it was going to be calculated. Ms O'Reilly agreed to obtain some more information regarding all these matters.

The role of the RLO was queried. It was felt that there should be some opportunity to see them outside normal working hours. Ms O'Reilly agreed to obtain some more details. She explained that there would generally be an RLO for a large project, otherwise it might be the job of the site manager to carry out the liaison role.

❖ **Action points.** Ms O'Reilly agreed to obtain more information on the following matters:

- o Choices and options regarding windows, exterior and communal works.

Ms O'Reilly provided the following information following the meeting. Residents will be consulted on type of windows and their fittings but not on whether or not we replace the windows. They will also be consulted on communal and external works. Each estate will be having a separate external survey carried out and areas for environmental improvement identified. Residents will be consulted about these proposals.

- o Agreed maximum prices – how defined and calculated (*Ms O'Reilly provided some more information following the meeting - please see attached.*)
- o Arrangements for contacting and making appointments with RLOs – out of hours, etc. (*Ms O'Reilly provided some more information following the meeting - please see attached.*)

7. Consulting on the options for paying major works – the current options. Pari Badiani, Leasehold Liaison Officer. At the beginning of her talk Ms Badiani provided Panel Members with a new paper providing information on the policies of other boroughs regarding their payment options for major works (*Paying for major works – the policies of other boroughs*), which is appended to these minutes. She then guided Members through the paper (also attached), which they had received beforehand, on the current options offered by Homes for Haringey, (*Leaseholders' options for paying major works bills*).

Members made a number of comments in response to Ms Badiani's talk. Mr Martin-Clark welcomed the information contained in the paper on other boroughs, but said that it was rather a lot for Members to consider during the course of the meeting. Mr Thevanesan said he accepted this and agreed to table the subject for further consideration at the next meeting on the 11 June. Mr Martin-Clark suggested that Homes for Haringey should agree to hold the price of work to the estimate if people paid it in full. Mr Laheen said that Brent gave 24 months interest free for the payment of major works bills and he felt that Haringey should do the same. Ms Ibrahim said that she felt that the set up

fees and the rate of interest charged by Homes for Haringey on loans for major works were excessive, given that it was a non profit making organisation. Mr Thevanesan responded that this was the local authority borrowing rate.

- ❖ **Action point.** The question was raised about whether there would be any opportunity for leaseholders to have the option to pay for new kitchens and bathrooms and Mr Thevanesan said he would come back to the Panel with some more information.
- ❖ **Action point.** Mr Thevanesan agreed to look into the question as to whether Haringey would be prepared to accept settlement on the estimate as full and final payment even if the actual cost were to be greater.

Mr Martin-Clark raised the question as to what help was available towards major works payments from the Benefits Agency for those in need. Mr Thevanesan said that the Government's policy was not very clear at present and that local authorities were seeking clarification.

8. Leaseholders Forum – update on proposed arrangements. It was agreed that it would be desirable if there a report could be presented to the main meeting of the Forum on the policies for involving residents in the preparations and project management of the decent homes programme.

9. Booklet on the Actuals 2006/7. A copy of the proposed booklet was circulated at the meeting and Members were asked to provide any comments to the Home Ownership Team as soon as possible.

10. Top ten performance areas. This item was deferred until the next meeting

11. Any other business. Mr Martin-Clark raised the question as to whether the costs of the hearing at the Leasehold Valuation Tribunal were going to be charged to leaseholders.

- ❖ **Action point.** Mr Thevanesan agreed to ascertain the situation and inform the next meeting of the Panel about the position.

Ms Brown raised a question about the methods of charging concierge costs, electricity costs and so on. Ms Daniel expressed the view that it was unfair that people were charged for services such as controlled entry system and so on, even when their property was not included in the system. Mr Thevanesan said he would do a presentation at a future Panel meeting on the methods of the calculation and apportionment of service charge costs, which would include an explanation of these matters.

Mr Thevanesan concluded the meeting by thanking Ms O'Reilly and Ms Badiani on behalf of the Panel for their interesting and informative presentations.

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Appendix 1: Draft Consultation Plan for a Year 1 DH Project

(Catherine O'Reilly – Resident Liaison Officer, Major Works)

General principles:

All written communications will include an offer of translation into other languages and formats.

Interpreters will be available for meetings and interviews if requested.

Any resident may request an individual consultation to discuss their own particular needs.

This is a draft programme and is subject to change after discussion with CP and residents and other stakeholders

Abbreviations used

HfH: Homes for Haringey, C Rep: Client Rep, AMT Asset Management Team, Tenancy Management Team HOT Home Ownership Team,

CP : Constructor Partner, RLO : Resident Liaison Officer CT: Compliance Team

Event	Time Line	Owner	Date Completed
1 st Letter to all residents introducing Constructor Partner informing them of survey	10- 31 July 2007	HfH -	
2 nd Letter notifying residents of survey dates /period (may be specific appointments)	24 July – 4 Aug	Constructor Partner (CP)	
Surveys Year 1	27 July-28 Sept	CP	
No Access letters & Actions	6 August-28 Sept	CP Then HfH - TMT	

Event	Time Line	Owner	Date Completed
Validation of survey information	6 August-28 Sept	HfH AMT	
Year 1 Programme published eg. on website	25 Sept – 12 Oct	HfH	
Scheme design and pricing	Sept./Jan	CP	
Resident Consultation :	Sept/Feb	HfH	
<ul style="list-style-type: none"> • 1st Newsletter to all residents Yr 1 with results of survey • Invitation to meeting to discuss survey findings and proposals 	Sept/Oct	HfH C REP CP	
<p>1st Meeting Works in relation to each block will be divided as follows:</p> <ul style="list-style-type: none"> • Essential work: for example wind & weather tight, health and safety, minimum decent homes standard • Desirable work: Works where choice is offered – communal areas. • Optional work: to be identified by residents during consultation. e.g . if all the residents in a particular block want a different tap to the one approved by residents at a strategic level (Unlikely to be identified at this stage) • Outline costs • Outline programme 	Oct 2007	HfH - AMT, TMT, HOT CP CT	

Event	Time Line	Owner	Date Completed
<ul style="list-style-type: none"> Opportunity for leaseholders to discuss payment options and to make appointment for private individual meeting – 	Oct 2007 – Jan 2008	HfH - HOT	
<ul style="list-style-type: none"> 2nd Newsletter: will provide any updates on the scheme, report on outcomes and decisions of 1st meeting and observations received. If 2nd Meeting required will include invitation 	Oct/Nov	HfH C Rep CP	
2nd Meeting only if required. final scheme of works,	Nov/Dec 2007	HfH C Rep CP	
<ul style="list-style-type: none"> 3rd newsletter feedback from 2nd meeting update on programme and costs 	Nov/Dec 2007	HfH CP	
<ul style="list-style-type: none"> S20 notice. Will provide a description of works, an estimate of how much the work which has been agreed will cost (a block cost and the individual leaseholder's share of the total estimated). It will also provide a date when the works will start and finish. This notice also formally invites leaseholders to make written observations on the proposed works within 30-days of the date of the notice. 	28 Jan 2008-	HfH – HOT team	
Agreed maximum Price for Yr 1 Projects Approved	Jan/Feb 2008	HfH CP CT	
Pilot Projects start on site	10 March 2008	CP	

Event	Time Line	Owner	Date Completed
<p>On Site Resident Consultation:</p> <ul style="list-style-type: none"> Where schemes involve internal work or work which will entail a lot of disruption, RLO will have one-to-one discussions will be held with households to ensure the proposals meet their specific requirements. This will include agreeing work programme dates and choices. 	Throughout on- site phase	CP – RLO	
<ul style="list-style-type: none"> Monthly newsletter to give residents update on progress 	Throughout on- site phase	CP - RLO	
<ul style="list-style-type: none"> Residents will have the opportunity to have reps. attend monthly site meetings 	Throughout on- site phase	CP/CT/HfH	
<ul style="list-style-type: none"> RLO available for surgery times every working day and by appointment 	Throughout on- site phase	CP - RLO	
<ul style="list-style-type: none"> Residents receive notice of works: 21days, 7 days 24hours 	Throughout on- site phase	CP - RLO	
<ul style="list-style-type: none"> No Access letters & Actions :CP to make 3 failed attempts all recorded 	Throughout on- site phase	CP - RLO HfH TMT	
<ul style="list-style-type: none"> Where block costs increase by more than 10% above the S.20 estimate, leaseholders will be informed of the increase and the reasons for the increase. 	Throughout on- site phase	HfH – client rep HfH – HOT	

Event	Time Line	Owner	Date Completed
<ul style="list-style-type: none"> Residents will be involved in signing off the internal works to their own homes and record their satisfaction with the completed works. 	As works are completed	CP – site manager CT – clerk of works HfH – C Rep	
<ul style="list-style-type: none"> Residents’ representatives will be invited to take part in signing-off completed communal works 	As works are completed	CP - site manager CT – project manager	
<ul style="list-style-type: none"> All residents will be asked to complete a customer satisfaction survey 	At practical completion	CP - RLO HfH – C Rep	
<p>After handover Leaseholders will receive 3 letters after handover</p>	At practical completion	HfH – HOT	
<p>1st letter: will list the completed works in relation to the S20 notice, give the handover date, list any residents involved on the handover process and invite any observations.</p>	At practical completion	HfH – HOT	
<p>2nd letter: will advise what we have done since the observations to the first letter and confirm that all observation have been taken into account and confirm that the works are now substantially complete and subject to the defect liability period. The letter will also give details of who to contact to report defects during the defects period and incorporate a satisfaction survey.</p>	At practical completion	HfH – HOT	
<p>3rd letter: will advise on the final work completed that will be charged and give an indication of when the final invoice will be</p>	At practical completion	HfH – HOT	

raised.			
Event	Time Line	Owner	Date Completed
<p>End of Defects Liability Period</p> <ul style="list-style-type: none"> • All residents will be written to and asked for their comments and informed of date of end of defects liability period inspection. • If defects are identified all residents will be written to when these are to be completed. 		HfH C Rep	

Appendix 2: Agreed Maximum Price – definition

In a partnering contract the constructor is commissioned prior to the detail design being formed. This is done by way of a tender that includes the constructor's estimate for a schedule of works items together with their fixed overheads and profit percentages. Following consultation with stakeholders, the constructor and the client agree the details of works and materials to be used. This then forms the Agreed Maximum Price. The partnering team, which includes the designer, cost consultant (QS) and Partnering Advisor then identify three other sums which are included in the AMP:

Contingencies: usually a percentage of the contract sum, money that may be spent where there are unforeseen works and the risk had not been identified, for example a collapsed drain.

Risk Contingencies: The partnering team including the constructor and client work together to identify risks that might arise on a project and cost these risks. For example when renewing bathrooms there is a risk that more waste pipes will need to be replaced or that specialist asbestos contractors are unavailable when required. Another costed risk could be residents not giving the contractor access and this delaying the programme on site. Throughout the project the risks are monitored and every effort is made to minimise both the likelihood of the risk occurring and its impact on the project, in this way the contingency sum is safeguarded and the unspent sum becomes a saving for the project.

Provisional Sum: This is for works that we know are needed, but do not have a definite cost for them at the time of preparing the AMP. This could be where access is not available at the time of survey and work required cannot be accurately measured, for example when renewing a flat roof it is not until the felt is stripped off that the amount of work required on the structure below the felt can be measured.

The inclusion of these sums in the agreed maximum price along with the priced items of work and materials ensures that the agreed maximum price is a much more accurate figure than the tender sum in a traditional contract. This should ensure that leaseholders will be better informed before works start of what their final bill should be.

In addition, a partnering contract is deemed an 'open book' project. As the contractor receives a fixed profit and overhead sum percentage, the client can view the constructor's accounts to ensure that they are not receiving any additional savings from their supply chain. Where savings are made these are shared by the client and the constructor.

Appendix 3: Function of Resident Liaison Officer

(extract from tender document)

Resident Involvement

Good resident liaison is a key element in ensuring the success of the Homes for Haringey Programme and delivering a good quality service to our residents.

LBH/HfH considers the RLO to be a key member of the construction team and crucial to the success of a project.

The Constructor will be required to employ full time resident liaison officers (RLO) for the duration of the works on site (numbers to be employed to meet the requirements set out in the tender documents).

The purpose of the RLO is as follows:

1. To create and maintain a good working relationship between residents and the site team.
2. To ensure there is effective communication between Constructor and residents at all times.
3. To ensure that disruption and inconvenience to the residents, caused by the works, is kept to a minimum.
4. To ensure that the safety of the residents during the works is maintained.
5. To undertake such other duties as are reasonably required and agreed by both the Constructor and the Client.

The RLO plays a major role in ensuring the success of the Programme and in maintaining the confidence of the residents in both LBH/HfH and the Constructor's ability to do the work to a high standard with minimum disruption.

The RLO should be an integral part of the project team with separate office accommodation on site to give privacy to residents wishing to discuss matters relating to the works.

The liaison officer is to be available for two hours of the day in the office and these times to be notified in writing to all residents before work starts.

The RLO(s) is to be issued with a mobile phone and the RLO(s) number is to be issued as part of the contact details to all residents before work starts.

The RLO(s) will be issued with identity cards along with other site staff.

The Constructor is to provide temporary cover for the RLO's planned absences and any long-term sick leave.

Main Duties of RLO

As Member of the Project Team

The RLO(s) will be required to work closely with all officers who are involved in the project on a day-to-day basis.

The RLO will attend monthly meetings with the HfH's Tenant Liaison Officer where issues common to all Constructor Partners will be discussed.

The content, style and format of all written communications with the residents will be standardised (appointment letters resident information packs, operating instructions etc.) and agreed with HfH's Tenant Liaison Officer.

The RLO will meet the local housing manager at regular intervals to discuss issues relating to special needs, access and other individual management problems.

The RLO will prepare monthly written reports for site meetings detailing all complaints raised by residents and the action taken and all resident issues requiring discussion and involvement of LBH/HfH representatives.

The RLO shall attend site meetings and out of hours meetings with the Client or individual tenants and shall be party to other discussions between the Client Representative and the Constructor on the subject of revisions to the Project Timetable.

The RLO shall report progress in respect of the resident liaison procedure at the site meetings including all residents' issues: programme, access, complaints etc.

Prior to start of Works

- Create resident profile for whole estate /project area
- While ensuring compliance with the Data Protection Act the RLO should liaise with LBH/HfH Housing Manager to identify:

- Residents who may find work in occupation particularly difficult
- Residents with disabilities who may need special provision
- Residents who may be challenging and who pose a threat to either LBH/HfH representatives or the Constructor's workforce
- To agree strategies for working in partnership with the HfH representatives in order to provide assistance to those residents who require it and for dealing with those who pose a threat
- Provide information to residents on areas of choice and record choices made by individual residents.
- Be responsible for consulting residents & keeping them informed of the progress and programme of the project through visits, newsletters and public meetings which predominately will be out of hours.

During Works

- Be the first point of contact for residents
- Be responsible for making all access arrangements with residents-
(Notice required: 21 days, 7 days, 48 hours)
- Be responsible for consulting keeping residents them informed of the progress and programme of the project through visits, newsletters and public meetings which predominately will be out of hours
- Before works are started in any home ensure that the resident has received an agreed copy of the pre works inspection detailing the condition of carpets, decorations, fixtures and fittings.

After works

- After snagging inspections the RLO should ensure the tenant is satisfied that all outstanding items are noted and that they have been given an agreed timescale for completing these items.
- Confirm with the resident that the work has been completed satisfactorily within the agreed timescale

- Obtain the residents signature to the handover record.
- Ask the resident to complete a Resident's Satisfaction Survey commenting on Constructor's performance when working in their flat.

Complaints

The RLO will have primary responsibility for dealing with complaints from residents during the course of works; including complaints of criminal acts, complaints of poor workmanship, damage to fixtures fittings and furnishings and or conduct of the Constructor's workforce.

- Immediately report any resident's complaint of theft or any other criminal act for which they hold the Constructor responsible, to the local police. Take all particulars, record the event in the Complaints file, notify the Client Representative and write a full report to be given to the Client Representative and Housing Manager as soon as possible.
- Be responsible for replying to all correspondence, complaints, comments made by residents in line with the Customer Service Standards set by HfH
- Set up, publicise, maintain, and implement a simple complaints procedure with a complaints book held in the RLO office.
- Record in the complaints book complaints whether written or verbal. This should be signed and dated by the resident who should receive a copy of the record.
- All complaints to be responded to by the RLO immediately.
- Resolve all complaints within 2 days of the complaint being made -provide a detailed report for those instances where resolution has not been possible with explanations of action taken.
- Following resolution the resident must sign the complaint form confirming that the complaint has been dealt with to their satisfaction.
- Present formal written reports detailing and monitoring all complaints at monthly site meetings.

- The complaints book shall be available for inspection by any member of the HfH project team at any time during the contract.
- If the site team cannot satisfactorily resolve a complaint, ensure the resident is aware of the appropriate way to make a formal complaint or appeal against a decision.
If the complaint is not resolved follow the procedure set down in the PPC Contract 2000 Clause 29.4

Nominated Key Holders Duties

The RLO will be a nominated key holder on site.

- Maintain the secure storage of all keys to flats, which are given to the
- Constructor for access. Log the receipt and return of all keys in a book using key codes. The key book must be kept locked securely separately from the key cupboard. Issue keys only to responsible employees of the Constructor, which are to be signed for in the key book on collection and return.

This list of duties should not be consider exhaustive and should be used for guidance.

Appendix 4: POLICY REVIEW – CONSULTING LEASEHOLDERS.

Leaseholders' options for paying major works bills. **(Leasehold Panel 31 May 2007)**

The payment options which Homes for Haringey currently provide to leaseholders are now being reviewed in the light of the proposed decent homes programme.

In future leaseholders will receive their first invoice for payment with the section 20 estimate. They will be asked to pay this in instalments. They will receive the final invoice after the work has been completed.

The Leasehold Panel is now being invited to make give their views about our current policies.

Homes for Haringey's current collection policies.

Leaseholders are invoiced at the end of the year and are given 12 months to pay the invoice. At present we have the following policies regarding the options for the payment of invoices for major works.

- a) Payment in full – a discount is given of 2½%.
- b) Instalments. Leaseholders are given 12 months to pay the invoice by a direct debit arrangement.
- c) Statutory (mandatory) loan (must be provided to leaseholders during the first 10 years of purchase) – administration charge set at £100. The rate of interest is currently 7.4% and the amounts that can be borrowed are as follows:

<u>Amount borrowed</u>	<u>No of years of loan</u>
Less than £1500	3
£1500 to £4999	5
Above £5000	10

- d) Discretionary loan (under the Government regulations) – can be provided by the Council:
 - Only if no other means – the leaseholder must undergo a means test
 - Must have sufficient equity

- Secured, at a rate of interest of 7.4%
 - Admin charge of about £425 for a 10 year loan (£100 admin fee plus £150 valuation plus £25 per year after the first 3 years).
- e) Houseproud loan – affordable loans for leaseholders over sixty or with disabilities - from £3000 to 30% of the value of their property.
- A guarantee of no repossession.
 - Total administration charge is now made of £450 for each loan.
 - Types of loans: equity release (repayment of interest and capital on the sale of the property), interest only loan, standard mortgage (interest and capital repayments).
- f) Hardship - discretionary reduction in charges (capping). In some cases of exceptional hardship the Government regulations allow a local authority to cap a leaseholder's service charge bills at £10,000.

The conditions for making a reduction are as follows:

- a) Whether the flat is the leaseholder's home.
- b) The financial resources available to the leaseholder
- c) The total amount of the service charge payable since the leaseholder bought the lease
- d) The total amount of service charge payable in the year in which the leaseholder applies for a reduction on the grounds of exceptional hardship
- e) The ability of the leaseholder to raise funds to pay the charge (*the applicant must have been turned down by two high street lenders*)
- f) The ability of the leaseholder to pay the charge if the landlord provides an extension to the payment period
- g) Any other circumstances which the landlord considers relevant.

Appendix 5: Options for paying for major works – policies of other boroughs.

(Information on the web)

Below are payment options offered by other Local Authorities and ALMOs to their leaseholders.

Ascham Homes (Waltham Forest) (www.aschamhomes.org.uk)
(10,600 tenants 1,740 leaseholders)

- Estimated bills - payment in instalments over the period of the contract
- Actual invoices – payment in 12 monthly instalments
- Interest only loan for those on income support
- Charge on the property (as alternative to repossession).

Satisfaction questionnaires online:

<http://www.aschamhomes.org.uk/online-forms-and-services/customer-satisfaction-centre/decent-homes-satisfaction>

Barking and Dagenham Council (www.barking-dagenham.gov.uk)

No information provided in their leaseholder guide.

Barnet Homes (www.barnethomes.org)

Booklet:

(15000 council homes – 12000 tenant and 300 leasehold)

- immediate payment on completion requested
- payment by instalments (period not specified).

Future works:

<http://www.barnethomes.org/08modernisation.asp>

Social Homebuy is a Government initiative being piloted in Barnet, which gives tenants the opportunity to buy equity shares of between 25% and 75% in their home – while continuing to pay rent on the rest.

Bexley (www.bexley.gov.uk)

No reference to council housing – transferred to London & Quadrant Bexley Homes (www.lqgroup.org.uk/bexley-homes)

Brent Housing Partnership. (www.bhphousing.co.uk)

(13,000 council properties)

(They have a leaseholder repairs service for internal repairs operated by Linbrook.)

5% discount for payment of annual service charge in full.

- Major works invoice – 6/9 months after completion – no details of payment methods. (They have a booklet “How to pay for your major work?” but this is not available online).

Future works: Some details of decent homes programme provided:

<http://www.bhphousing.co.uk/BHPV2.nsf/Pages/BHP-160>

Bromley (www.bromley.gov.uk)

In 1992, Bromley transferred all its council housing to Broomleigh, the largest housing association in Bromley.

Camden Council: (www.camden.gov.uk)

- Can pay interest free over 10 months
- On estimate up to 2 years (over £10,000 – for main home)

CityWest (www.cwh.org.uk)

- o Estimate:
 - Under £2,000 – can spread over 12 months
 - Over £2,000 – can spread over 24 months
- o Actual (final account) – payable within 21 days, options:
 - Private loan
 - Loan from the Council for people on low incomes, who are unable to obtain private loans
 - Rate of interest – 7.85%
 - Admin charge – minimum of £140 for £25,000 loan
- o Discretionary limit of £10,000 for original purchasers from the Council likely to suffer hardship

Croydon (www.croydon.gov.uk)

No information provided

Ealing Homes (www.ealinghomes.net)

- o Bill sent 4 weeks after the completion of work
- o Payable over 12 months interest free
- o Loans for longer periods allowed at the current mortgage interest rate

Future works: Details of works given:

http://www.ealinghomes.net/main/services/decent_homes

Enfield Council –(www.enfield.gov.uk)

No information about leasehold issues on website – booklet (2000) – no options provided for paying major works.

The move to an ALMO has apparently been delayed until the Government has clarified the position about funding.

Greenwich Council (www.greenwich.gov.uk)

(No ALMO)

- Ten monthly instalments (owner occupiers only), which can be extended
- Voluntary charge on the property – only for people who have no other option.

Future works: Residents can get details of works proposed at:

<http://www.greenwichhomes.org.uk/MyHome/GDHMyHome.aspx>

Hackney Homes (www.hackneyhomes.org.uk)

Booklet:

- 5% discount for full payment within 6 weeks
- 6 month instalment plan for bills up to £300
- 12 months interest free instalment plan for costs above this.
- 2 years for bills above £1000 – at rate of interest (LA borrowing rate).
A Default Agreement must be entered into.
- Discretionary secured loan for people in employment with sufficient equity, refused a mortgage – setup fee of £500.
- Charge on property for over sixties with sufficient equity – setup fee of £500
- Grant aid (for some of the cost) may be available from the Council (Private Sector Housing department) for people on low income or benefit – application must be made before work starts

Future works: Examples of programme details:

- <http://www.hackney.gov.uk/servapps/admin/decenthomes/Top2.aspx?inPanelno=1&inPanelno2=0&SRefNo=75628&SrchTypeNo=77&SrchSaff=36365>
- <http://www.hackney.gov.uk/servapps/admin/decenthomes/Top2.aspx?inPanelno=1&inPanelno2=0&SRefNo=75150&SrchTypeNo=77&SrchSaff=24668>

H&F Homes (Hammersmith and Fulham) (www.hfhomes.org.uk)
No information about how to pay (good on repairs responsibilities)

Future works: - list of addresses and dates
<http://www.hfhomes.org.uk/index.asp-Q-Page-E-decent-homes>

Social homebuy to start shortly

Harrow Council (www.harrow.gov.uk)
No information – undergoing options appraisal (5000 council flats, 1000 leasehold)

Homes in Havering (www.homesinhavering.org)
- Charge included as part of the annual actual service charge bill
- Payment by instalments over 12 months interest free

Hillingdon Homes

- 12 months interest free instalment plan
- Statutory loan (*admin charges for loans have not yet been decided*)
- Discretionary loan – on the basis of financial circumstances
- Interest only loan – for people on income support, etc:
 - Council Tax Benefit
 - Sick leave benefits
 - Income Support
 - Working Families' Tax Credit
 - Housing Benefit
 - Job seekers allowance
 - Disability Living Allowance
 - Disability Benefits
 - Attendance Allowance
 - State Pension (as only source of income)
- Charge on property – extreme hardship
- CHAS Central London -referrals are made to them or people can contact them direct - <http://www.chascl.org.uk/> or at 020 7723 5928 for free housing and debt advice.
Houseproud – asked to contact them direct.

Homes for Haringey
(2 booklets – Major works and Houseproud loans)
o Bills issued 6 months after the financial year in which costs incurred.

- Pay in full – discount of 2½%
- Pay in instalments over 12 months – £10 discount for payment by direct debit or standing order
- o Statutory loan – administration charge of £100.

<u>Amount borrowed</u>	<u>No of years</u>
Less than £1500	3
£1500 to £4999	5
Above £5000	10

- o Discretionary loan –
 - Only if no other means
 - Must have sufficient equity
 - Secured at rate of interest of 7.4%
 - Admin charge of about £425 for a 10 year loan
- o Reductions in charges – discretionary and mandatory
- o Houseproud loan – affordable loans for disabled and over sixties - from £3000 to 30% of the value of the property.
 - A guarantee of no repossession.
 - Total administration charge of about £958 is made for each loan.
 - Types of loans: equity release (repayment on sale), interest only loan, mortgage (interest and capital repayments).

Homes for Islington. (www.homesforislington.org.uk)

It has a very detailed booklet on major works. The main points are as follows:

- Agreed maximum recharge.
 - Framework contracts where the agreed maximum price was approved on or after the 1 September 2004.
 - Section 20 estimate is charged. If additional works are required these will be charged via a separate section 20 estimate.
- Instalments
 - o 2 years – 24 monthly instalments (over £1500)
 - Must enter into arrangement within 10 weeks of estimate.
 - Breaches of payment will result in interest charged at the rate specified in the lease.
 - o 5 years secured loan – monthly instalments –

- Leaseholders only home
 - Legal charge plus admin fee
 - interest payable after 2nd year (at Bank of England base rate , 5.25%)
- Houseproud.
 - Discretionary loans. The Council is making mortgages available through an external financial services provider – interest at commercial rates through secured loans.
 - Debt counselling. Catholic Housing Aid Society Central London (CHASCL)
 - Buybacks. - only in exceptional circumstances
 - Hardship capping. For the over sixties and disabled – limiting of charges to £10,000 will be considered.
 - Mediation. If any matter cannot be resolved through the complaints procedure, leaseholders are advised that they can seek mediation through LEASE, who make a charge for the service.
 - Problems. Hfl has issued a booklet (*Help and advice with paying your service charges*) explaining the services offered by CHAS – an independent charity that provides free advice on payment and housing problems.

Future works: Example of programme details:

<http://www.homesforislington.org.uk/homesforislington/repairs/gettingItRight/BlockInfo/Blocks/4681/#works>

<http://www.homesforislington.org.uk/homesforislington/repairs/gettingItRight/BlockInfo/Blocks/4859/>

Hounslow Homes (www.hounslowhomes.org.uk)

Leaseholders Handbook (2005):

- Generally invoiced after completion
- No options given for repayment though it can be extended to 6 months.

Kensington & Chelsea TMO (www.kctmo.org.uk)

Booklet:

- Invoiced on section 20 estimate
- Instalments:
 - Interest free over 2 years for bills under £5000
 - Interest free over 3 years for bills over £5000

- Hardship – where leaseholders are unable to pay over 3 years the period may be extended but interest is then payable at . ¼% over base rate.
- All the other main options

Future works: Some details of future major works:

http://www.kctmo.org.uk/article.home/1505/m_id/2333

Kingston

No information – total housing stock 3800

Lambeth (www.lambeth.gov.uk)

Limited details are given on the website in respect of leaseholders' payment options. An ALMO is proposed, it states that there are currently 62 ALMOs in the country, which manage 910,000 council homes. By the end of the year they will be running half of all council homes in the country.

Lewisham (www.lewisham.gov.uk)

Not much information - ALMO bid in progress - Lewisham Homes

<http://www.lewisham.gov.uk/Housing/DecentHomes/SchemesInLewisham/LewishamHomes/default.htm>

Merton (www.merton.gov.uk)

(6,500 council homes, 2,500 leasehold)

Handbook:

- o Invoice raised after preparation of final accounts
- o Instalments 12 months interest free

Newham Homes

Handbook:

- o Payment after completion of work
- o The Council gives grants for some types of works but these are repayable on the sale of the property.
 - Decent homes grant available up to £5000 for works required to deal with disrepair or improve energy efficiency for elderly and disabled residents

Redbridge Homes (as from 2 April 2007) (www.redbridgehomes.org)
Not much information.

Richmond Housing Partnership (www.rhp.org.uk)

- 12 monthly instalments by direct debit
- A loan with interest for longer periods
- o Prepared to consider reasonable offers to pay debts in instalments by people having difficulties.
- o Complaints must be made within one month of occurrence.

Southwark (www.southwark.gov.uk)

(Stock retained)

- o Loans up to 36 months interest free
- o Loans (unsecured) from 3 to 10 years – interest charged as stated in the lease
- o Council mortgage (set up fee £430) up to 25 years
- o Buyback at sitting tenant value (less outstanding service charges)
- o Voluntary charge

Sutton Housing Partnership. (www.suttonhousingpartnership.org.uk)

- Bills for major works issued on completion
- 12 months payment in equal instalments for anyone – interest free
- 24 months for someone on benefit – interest free
- Loans (secured on property) with interest at Council rate (£100 admin fee) – for bills over £1,500
 - o Up to 10 years for people on benefit with bills
 - o Anyone – 3 years up to £4999, 4 years up to £7499, 5 years over £7500
- Over 60 receiving benefit – charge on property for bills over £1500 (£100 admin fee)

Future works: Some details of works

http://www.suttonhousingpartnership.org.uk/Major_Works.htm

(major works leaflet.)

Tower Hamlets (www.towerhamlets.gov.uk)

(ALMO being set up).

<http://www.towerhamlets.gov.uk/data/housing/data/th-homes.cfm>

- 12 months interest free up to £1,000
- 24 months over £1,000
3 to 5 years for people in extreme hardship – at interest rate agreed by the Council
- Houseproud scheme. To encourage take-up, the Council is offering Houseproud Grants to people who use the scheme – these can cover the set up costs of the scheme and make a contribution toward the cost of the major works.
- Statutory (mandatory) loan
- Discretionary limit at £10,000 for those in hardship
- Voluntary charge – over 60 and in hardship or if under 60 on means tested benefit

United Residents Housing - set up to help bring council-owned homes on estates in Lambeth up to the Decent Homes standard

The TMOs that comprise United Residents Housing are:

- Blenheim Gardens Resident Management Organisation
- Loughborough Estate Management Board
- Roupell Park Resident Management Co-operative
- Waltham Resident Management Organisation

<http://www.lambeth.gov.uk/Services/HousingPlanning/CouncilHousing/TenantsArmsLengthManagementOrganisation.htm>

Wandsworth Council (www.wandsworth.gov.uk)

Council loans (mortgages) provided to owner occupiers - at variable rates of interest. A charge of £50 is made. The period of the loan varies from 4 years for window repairs to 20 years for roof repairs.