The Leaseholder Handbook

For

General Leaseholders

Eden Housing Association

EDEN

HOMES

AND COMMUNITIES

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Introduction

This handbook contains useful information about our services to you and your rights and responsibilities as a leaseholder. Please keep this in a safe place for future reference. If you need more information, don't hesitate to contact us, we will do our best to help you.

Please don't treat this handbook as a substitute for your lease. If there is any discrepancy between this document and your lease, your lease is the superior document.

About us

Eden Housing Association is a successful small independent Registered Provider of affordable homes with a rural focus.

We were established in 1997 following the voluntary transfer of housing stock from Eden District Council.

We now operate chiefly across North Cumbria owning and/or managing around 2,000 homes for affordable rent or sale.

Homes England is the government's housing agency, who monitor and regulate the work of EHA and other housing associations. For more information about Homes England, visit their website:

https://www.gov.uk/government/organisations/homes-england

How to contact us

By email: enquiry@edenha.org.uk

By Phone:
Mainline: 01768 861400
Our customer service team are open for telephone enquiries Monday to Friday 9am-5pm, and on a Wednesday 9.30am-5pm. We are closed on bank holidays. Outside of these hours your call will be answered by our out of hours service.

By Post: Blain House, Bridge Lane, Penrith, Cumbria CA11 8QU

The Lease and Your Legal Obligations

Your lease is a legally binding contract which sets out the rights and responsibilities of you the lessee, (or leaseholder) and EHA the lessor (or landlord).

If there is anything in your lease that you do not understand we will try to explain this but we are unable to provide legal advice in connection to the lease. You should always seek independent legal advice from your solicitor or you can use The Leasehold Advisory Service to obtain free expert advice on the law affecting residential leasehold. **https://www.lease-advice.org**

Lease Variations

General leaseholders can modify lease terms through a Deed of variation, which requires the agreement of all parties (leaseholder and EHA), the leaseholder covers all costs for the variation. Common reasons for a variation include extending the lease term, adding or removing covenants that aren't quite right or changing service provision.

Lease Extensions

General leaseholders have a statutory right to extend their lease.

How to extend your lease

Many leases granted by EHA were in the early eighties and most granted with a term of 125 years. This means that the remaining term of your lease may have shortened significantly.

We have found that if the lease term falls below 80 years, this could make it difficult for the leaseholder if they want to sell their home or re-mortgage. From our experience, mortgage lenders will not consider a mortgage or re-mortgage application if the lease term is below 80 years as it increases their risk of lending against the home.

A lease extension is a statutory right for leaseholders of flats, houses and bungalows (where 100% of the equity is owned), provided the leaseholders meets the eligibility criteria detailed below.

Eligibility

In order to be eligible for a lease extension you must hold the lease of the flat and this means hold a lease:

- With a term of 21 years or more
- Own 100% of their home through a lease (100% leaseholder)

Formal vs informal lease extensions

As an outright leaseholder, you have two options to extend your lease:

- **Option 1** - Proceed formally in accordance with the procedure laid down in the leasehold reform, housing and urban development act 1993
- **Option 2** - Proceed informally, by legal agreement between you and us (but still broadly following the principles of the above Act)

You may have the right to extend your lease under option 1 and if you wish to pursue this we advise you to seek independent legal advice to confirm whether you do have this right and to obtain advice about the consequences of following this procedure.

We are happy for you to follow whichever route you choose, but option 2 has the following benefits:

- It is much simpler for both parties and may be cheaper for you (legal fees may be less than option 1)
- If you are happy to accept the valuation carried out by our RICS valuer, you will only need to pay for one valuation. (Whereas under Option 1, you would need to pay for your own valuation and also for EHA's independent valuation, to verify your valuer's findings)
- We may have more flexibility as to what we can agree to if any of the terms of your existing lease need updating or require amendment
- It might be possible for EHA to be more flexible on the length of the new lease

A lease for a flat can be extended for 90 years on top of the current term, with a 50-year extension allowed for a house or bungalow. This is statutory requirement, but there may be occasions where the term offered can be more or less than the statutory requirement and this will be dependent on whether EHA own the freehold of your home and will be determined as part of the process.

We use independent surveyors who are all qualified by the Royal Institution of Chartered Surveyors (RICS) to determine the value and therefore the premium payable for the lease extension.

It is important for you to consider the costs involved before deciding to extend your lease. These include:

- Legal costs – (including your legal coats as well as the legal costs for EHA)
- The cost of the RICS valuation
- EHA administration fee
- The premium payable in respect of the extended term (provided by surveyor)

Advice on lease extensions, can be found here:
https://www.lease-advice.org/advice-guide/lease-extension-getting-started/

Where can I find a copy of my lease?
Your solicitor should have provided a copy of your lease at the point of purchase. The Land Registry will also hold a copy if you are unable to locate this, but they will charge a fee. EHA can obtain this on your behalf, but this will incur a fee.

Your Responsibilities

Below is a general summary of your responsibilities under your lease. Please note that this is a general summary of a typical Lease and it **may not** cover every aspect of your individual lease.

General Summary

Under your lease you have agreed:

- To pay the ground rent, a service charge, and buildings insurance due in respect of your home
- To keep your home in good repair, clean and in good decorative order.
- To clean the windows on a regular basis
- To allow us entry into your home with prior notification, for any relevant landlord’s purpose
- To make good any defects which are your responsibility
- To allow those who are entitled to use and enjoy their respective rights over common parts
- To notify us if you intend to sell your home
- If we have to take any legal proceedings to end your lease (forfeiture), to pay the costs of serving the required legal notices
- To contribute towards the cost of repairing and maintaining any common parts of the building
- To inform us immediately about any damage to your home, however it is caused
- Not to cause any nuisance or annoyance to other people
- Not to make alterations of additions to your home without seeking approval

Pets

Your lease states that you are not to keep any animals at the Premises without our written permission. We will not give permission for you to keep animals which we consider to be:

- Unsuitable for your home and/or
- Will cause or are likely to cause any fear or nuisance or annoyance to any other person and/or
- Will cause or are likely to cause damage to the Premises or any adjoining Premises

Where permission is granted, you are required to keep animals under control, and not to keep any animal that might damage your home or cause a nuisance or annoyance to others. You are also required to ensure that the animal doesn’t foul in your home or in the shared areas outside the property, for example roads, footpaths, communal gardens or play areas in the local area.

Ground Rent, Administration Charges, Service Charges and Buildings Insurance

Annual leasehold charge notifications are issued no later than 30 days before 1 April each year. These costs may include ground rent, buildings insurance, a management fee and any itemised repairs.

Ground Rent

As per your lease agreement, Eden Housing Association retains the freehold of the land on which your property is built.

If you purchased your property under the right to buy/right to acquire scheme prior to the 30 June 2022, you will be charged a ground rent which is usually £10.00 per year but may vary in some instances. If you have purchased the lease for one of these properties under a re-sale, these charges will apply to you.

If you purchased your property under these schemes on or after the 30 June 2022 your lease will state that the ground rent is a peppercorn rent, and you will not receive a financial charge. If you have purchased the lease for one of these properties under a re-sale, the peppercorn rent will apply to you.

Where ground rent applies, you will receive a ground rent notice along with your charge notification.

Administration Charges

Reasonable administrative charges are charged by EHA for additional services requested by leaseholders. Examples include granting consent, dealing with breaches of the lease and pre-sale enquiries.

Service Charges

Service charges are payable by leaseholders for the cost of managing, maintaining, repairing, and providing services to the block or estate in which they hold their lease. Dependant on your lease, your charges may be fixed or variable. If they are fixed you will be charged on the 1 April and no surplus/deficit is applied.

If your charges are variable, prior to the start of the year we will write to you to tell you what we estimate the costs to be for the services we will provide to you in the coming year. That will be your service charge for that year. After the end of the financial year we will write to you again to tell you how much each of the services actually cost. Where we have not charged enough you will be invoiced for the deficit, where we have charged too much the surplus amount will be credited to your payment account. For any changes to ‘qualifying long-term agreements’, (any contracts with a term of over 12 months and with a cost of £100 or more in one year for any one service charge payer), statutory consultation will be carried out. This also applies for any ‘qualifying works’ which includes works on a building or premises where the cost to the leaseholder is more than £250.

It is important that you refer to your individual lease to see which of these services are provided to you

Services can include:

- Communal Lighting/Heating
- Laundry
- Communal Cleaning
- Grounds Maintenance
- Bin Stores
- Window Cleaning
- Lift Servicing and Maintenance
- TV Aerials
- Building & Fire Safety Compliance

Buildings Insurance

EHA is responsible for arranging the buildings insurance cover on your home.

This is not a contents insurance policy. You are responsible for arranging your own contents cover for items such as kitchen appliances, carpets and other personal belongings.

Buildings Insurance is provided by Protector Insurance. Should you suffer loss or damage and wish to make a claim, you need to notify the Claims department on **0161 274 9077** or email **claims@protectorinsurance.co.uk** as soon as possible with details.

Claims must be notified within seven days of the event in the case of damage caused by anti-social behaviour.

Please make it clear when you contact them, that you are one of our policy holders, quoting **policy number 3321391**.

In most cases they will tell you straight away whether your claim is covered by the policy. If it’s covered, they will tell their preferred supplier about the claim, who’ll contact you to arrange a time to carry out the work.
In some cases, they may arrange an inspection to look at the damage, but they will let you know if they need to do this.

Please note that a £50 excess applies in respect of each and every loss and a £1,000 excess for any subsidence claims.

You must tell the insurers about any event that leads to a claim within 30 days. They will refuse to accept a claim if you don't tell them within that period.

Communal Repairs

Eden Housing Association is responsible for the repairs and maintenance of the building structure and communal areas. This includes:

- The structure of the building (roof, walls, foundations)
- Common parts such as hallways, staircases, lifts, corridors, shared entrances
- Shared external areas such as, pathways, gardens, lighting, bin storage, communal pipes or gutters

Repairs to communal areas and shared services are funded through the service charge paid by all leaseholders. EHA manages these repairs and consults leaseholders on major works costing beyond set financial thresholds.

If a communal repair is required (for example, a broken lift, roof leak affecting multiple flats), leaseholders should report issues to the housing association promptly.
If leaseholders damage communal areas or shared equipment, they may be charged for the cost of any repairs.

EHA conduct regular inspections and planned maintenance to communal areas in line with lease agreements and stock condition surveys.

Any uncertainty or dispute around who is responsible for specific repairs should be resolved by referring to the terms of your lease.

Please inform EHA if you see anything in the communal area that you think needs our attention.

Your contribution to the cost of communal repairs is recovered through your service charge.

Major Works

Major works projects are ‘large scale’ repairs such as, but not limited to:

- Window or roof replacements
- Fire safety work
- Communal decoration

EHA is responsible for these works to maintain common parts and the fabric of the building.

Major works projects require a considerable amount of organising before they start.

This section sets out what to expect at each stage of a major works project, including our commitments and how you can get involved.

Please note that the process described here, primarily relates to larger traditional major works projects delivered by our major works partnering contractors. It also relates mainly to projects covering blocks of properties. The process may differ for individual street properties or smaller projects delivered by one of our other contractors such as fire safety works or emergency lighting upgrades. This is because they may differ in size, in terms of budget, number of properties or timescales, or the work may need to be carried out urgently.

EHA major works programmes are delivered by a range of specialist contractors, each with a wealth of knowledge and experience in delivering large scale projects within the Social Housing Sector.

Statutory Consultation (under s20 of the Landlord and Tenant Act 1985 as amended)

Landlords, including social housing providers are legally required to consult with leaseholders before carrying out major works. This means that leaseholders are entitled to further consultation, often referred to as ‘Section 20’ consultation.

The process includes consultation on the proposed works, the contractors who will be invited to tender for the works and the estimated costs.

You will receive several statutory notices during the consultation process where we will ask you for your observations within a set time period.

EHA will ensure that all observations are considered, and responses provided as a part of the process. You will be notified of the final outcome of the consultation process and the proposed timeframes for the works.

Forfeiture

EHA has the right to terminate a lease and regain possession of the property where there is a serious breach of the lease.

This can occur if the leaseholder fails to pay rent or breaches other covenants within the lease.

EHA will only seek to forfeit the lease as a last resort, when all other available options have been exhausted.

Home Improvements, Decoration, Material and Structural Changes and Property Extensions

You may wish to improve your home by building an extension or erecting a conservatory, or to replace windows or doors or paint the external building. These types of improvements affect the external fabric of the building and therefore will require consent before any works commence.

Where consent can be given, this will be subject to you obtaining any necessary building control and planning approval.

An administrative charge will apply for EHA to consider and respond to your request.

Carrying out alterations without permission may be breaking the terms of your lease and we could ask you to put your property back to how it was or to make sure that the alterations reach an acceptable standard. Additional legal licences may be required before we can grant permission. Unauthorised additions might not be covered by the Buildings Insurance Policy. A licence to occupy or a licence to alter will apply for all extensions that fall onto EHA land.

Safety in Your Home

Gas Safety

If you have fixed gas appliances in your home, such as a central heating boiler, gas fire or gas hob it will have a warranty from the manufacturer, usually for one year from the date it was installed. After that, it's essential for the safety of you and your family that you get these serviced every year by an approved engineer. Failure to maintain your gas appliances correctly can lead to a carbon monoxide (CO) leak. It is important to be aware of the dangers of CO in the home. CO is a highly poisonous gas with no colour, taste or smell. Symptoms of CO poisoning can easily be confused with flu, and include headaches, nausea, dizziness, chest or stomach pains and general lethargy.

Leaseholders are responsible for ensuring the gas safety of their property, including regular checks of all gas appliances, pipework, and flue:

- Get your gas appliances checked annually by an approved engineer. Appliances that are properly installed and serviced, and have sufficient ventilation, are efficient and safe.

A Gas Safety registered engineer is a gas expert. They have undergone extensive training in order to be qualified to gain registration. You can find a Gas Safety registered engineer, by visiting the Gas Safety website: https://www.gassaferegister.co.uk

The majority of work carried out by illegal gas workers has been found to cause serious safety defects. By using a tradesperson that is not Gas Safety registered, you're taking your life into your own hands. Gas Safety registration does not automatically cover all areas of gas work. Most installers specialise in one or more areas, so you must check they're qualified to do the work you require (eg fit a boiler). You can check with Gas Safety's Customer Services team on 0800 408 5500, or look on the back of the engineer's ID card.

Eden Housing Association may request your most recent LGSR (Gas Safety Check):

- Make sure rooms and heaters are well ventilated
- Have your chimneys and flues checked regularly
- Ensure you have a in date CO alarm. These are available from most good DIY stores or you can get one from an approved engineer. A CO alarm will measure the concentration of CO in a room and sound an alarm if the CO concentration is at a dangerous level. If you buy a CO alarm, make sure it meets current British and European safety standards and choose an audible one so that you could be alerted even if you're asleep. Read the manufacturer's instructions carefully before you install it.

Remember If you have sublet your apartment and it has any gas appliances in it, the Gas Safety (Installation and Use) Regulations 1998 apply to you. This means that as a landlord you have a duty by law to your tenants and you must make sure that a gas safety check is carried out every year and that your appliances are properly maintained

Grounds Maintenance/Communal Areas

If your home has communal and shared areas of land with landscaping, grassed areas, flower beds, bushes, hedges or trees, they will need to be maintained at regular but differing intervals.

We are responsible for arranging and managing a contract for grounds maintenance to be carried out, to an agreed programme and detailed specification. We will keep you informed of this and any amendments to, the contract. A contribution towards the cost of this service is included in the service charge.

Fire Safety

Eden Housing Association will carry out annual Fire Risk Assessments on internal communal areas.
Remember, when you share a building with other individuals and families, your safety and theirs depends on everyone cooperating and acting responsibly:

- In your own home, do not block your hall or put portable heaters or anything that catches fire easily there. It is the only escape route for you and your family
- Do not place any personal items, including mobility scooters, in common areas including bin rooms, meter cupboards and stairways. Both EHA, as landlord, and you, as leaseholder, have a responsibility to ensure these areas are free of combustible materials.
- We will carry out regular inspections of common areas to ensure fire safety is maintained
- Where dry risers are provided in your building, these will be used by the Fire Service if a fire breaks out in the building. You must not tamper or interfere with or block these outlets as this will compromise yours and others safety.
- Make yourself aware of the fire evacuation procedure
- If you live in a communal area with a lift the system has been designed to enable firefighters to use it in an emergency. Lifts are not available for residents use in emergency fire evacuations.

Fire Doors

- If your property is within a block of flats leading into a communal area; please note that an annual inspection of your flat entrance door may be required to ensure it is compliant with current regulations
- Fire Doors should be kept shut when not in use
- Do not tamper with self-closing devices
- Report any fault or damage immediately to Eden Housing Association

- It’s really important that you don’t make any alterations to fire doors that could affect the protection they offer in the event of a fire. This includes things like drilling or knocking nails into your door to attach any signs or decoration.
- The maintenance or replacement of the flat entrance door must be authorised by EHA due to ensure regulatory requirements are met. EHA may organise the replacement of the flat entrance doors if they are the door fails the fire door checks which impinge the fire protection, This will then be recharged to the leaseholder.

Smoke Alarms

A smoke alarm is a warning device that detects smoke at the earliest stages of a fire and sounds a piercing alarm to warn you if a fire occurs in your home. Many people killed in house fires are asleep at the time. A smoke alarm will wake you up and give you vital extra time to escape:

- It is strongly recommended that you have Smoke Alarms fitted if they are not already installed
- Smoke alarms should be one every story of your home, in hallways, landings, and in or near bedrooms with a heat detector in your kitchen. Advice can be sought from the Fire & Rescue Service and a home safety visit can be arranged with them to ensure you are fully protected.
- You should test your smoke alarms each week to make sure they are working properly. Never remove the batteries unless you are replacing them. Gently vacuuming the outside of the smoke alarm every six months will help to make sure dust does not affect its ability to detect and warn you of a fire.

Electrical Safety

As a leaseholder, you are responsible for electrical tests (EICRs) within your own home and EHA is responsible for repairing and maintaining any communal installations in a block of flats.

Your responsibilities include the following requirements around electrical safety to make sure that you and your neighbours are kept safe:

- Arranging regular electrical safety tests - EICR (every 5 years) **within your own home** – if you live in a block, we will arrange these for any communal areas
- Asking EHA for permission to carry out alterations, additions and improvements to your home that may affect the electrics
- If we authorise changes to your electrics, we will need a copy of the certification from the electrician, who must be a member of a recognised competency scheme such as the NICEIC, ECA or NAPIT
- Making sure a qualified electrical engineer carries out any other electrical work

You can find a NICEIC registered electrician by visiting the NICEIC website: Find a Registered Electrician or Contractor | NICEIC

Selling Your Home

Resales

On selling or transferring your property, your solicitor will contact Eden Housing Association in order to ensure any restrictive lease covenants, such as the requirement for a new owner to have a local connection, are satisfied. Essentially, this means that any new owner must have either lived or worked in Cumbria within the previous three years.

Buy Back

Eden Housing Association may buy back properties dependent on circumstances, please contact us for more information.