

# LEASEHOLD MANAGEMENT POLICY

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## 1 Aims

2010 Rotherham Ltd (2010) is an arm's length management company (ALMO) and has been set up to manage, maintain and improve its council houses and estates. The organisation is non-profit making and it is wholly owned and controlled by Rotherham Borough Council. 2010 acts as the council's managing agent and carries out the role of the council as your landlord. Even though your property managed by 2010, the council is still your landlord and still owns the freehold of your property.

This Leasehold Management Policy sets out a framework for an efficient, customer-focussed service which offers value for money. This service will comply with the law and with standards of good practice as they apply to the management of leasehold properties.

## 2 Objectives

The key objectives of the Leasehold Management Policy are:

- 2.1 To treat leaseholders as customers, offering high quality services which represent value for money. 2010 recognises that it shares long term interests with its leaseholders for the upkeep of properties and the surrounding environment. We will offer opportunities for leaseholder involvement, feedback and an efficient complaints procedure.
- 2.2 To comply with all relevant legislation, regulatory guidance, and Codes of Practice, and to learn from examples of good practice.
- 2.3 To communicate clearly with leaseholders by providing accurate, timely and understandable information and advice.
- 2.4 To comply with requirements to consult leaseholders over the provision of services and in advance of any improvement or major repairs programmes.
- 2.5 To consult leaseholders over the development, monitoring and review of this Policy and supporting procedures.

2.6 To take a company-wide approach to leasehold management. Our technical and corporate services staff will take responsibility alongside the Leasehold Team for the quality of services to leaseholders.

### **3 Definitions**

3.1 'Leasehold Management' covers the range of services provided by 2010 to those who occupy property on a leasehold basis, where 2010 is the Managing Agent.

### **4 Legal and Regulatory Framework**

4.1 The legislation relevant to the Leasehold Management Policy is complex and has been subject to frequent change. The key legislation includes:

- The Landlord and Tenant Acts of 1985 and 1987
- The Leasehold Reform, Housing and Urban Development Act 1993
- The Housing Act 1996
- The Commonhold and Leasehold Reform Act 2002 – which introduced significant amendments to the other four Acts

4.2 Other relevant legislation includes:

- The Housing Act 1985 (as it affects the RTB, Preserved RTB and Right to Acquire)
- The Property Misdescriptions Act 1991
- The Consumer Protection Act 1987
- The Law of Property Act 1925
- The Unfair Terms in Contracts Regulations 1999

### **5 Key points of policy**

5.1 The Chief Executive of 2010 is responsible for the overall implementation of the Policy. The Leasehold Manager will act as the main point of contact for leaseholders and will work in close co-operation with other teams in 2010 and Rotherham MBC to ensure a prompt and efficient service.

5.2 Leasehold law and accompanying regulations and codes of practice are complex and subject to frequent change. 2010 will engage legal advisers with the appropriate expertise to ensure that it complies fully with the legislation and is able to advise leaseholders accordingly.

5.3 2010 will comply with all relevant legislation and the terms of individual leases, whilst recognising that legislation takes precedence over individual leases.

5.4 2010 will provide its leaseholders with all relevant and necessary information:

- A copy their lease
- A newsletter which will include a report of overall performance by 2010 and information about its activities in the communities where it works

- A Leaseholders' Handbook, this document will include information on:
- Leaseholder's key rights and responsibilities
- Consultation arrangements (if 2010 is considering changes to management or maintenance)
- Service charge information
- Advice about benefits for leaseholders who may have difficulty in paying service charges
- Details of ways to participate in decision-making about how services are run and standards set
- Details of 2010's complaints policy
- Details of the Leasehold Valuation Tribunal and advisory services such as LEASE.

5.5 Every leaseholder will receive an individual service charge statement within six months of the end of an accounting period.

5.6 We will make reasonable management and administration charges in accordance with the provisions of leases. We aim to recoup actual costs wherever possible, and will give leaseholders information on what the costs cover. A list of potential administration charges will be available.

5.8 We will ensure that leaseholders are fully consulted in compliance with s.20 of the Landlord and Tenant Act 1985, as amended by the Commonhold and Leasehold Reform Act 2002. This requires the Association to consult leaseholders on:

- Proposed major repairs or improvements for which they will be required to pay
- Proposed changes to contracts for long term services

The consultation procedure will comply fully with the regulations and will give leaseholders the opportunity to comment on choices of contractor and the proposed works.

5.9 We will aim to provide leaseholders with value for money from all of our services. We shall make every effort to ensure that charges for works are reasonable and the works are to a good standard. Leaseholders will be informed that they have the right to appeal using our complaints procedure if they are unhappy with the 'reasonableness' of the works or charges. If a complaint is received, Leaseholders will also be informed that they have the right to apply to the Leasehold Valuation Tribunal if they are unhappy with our response.

5.10 Leaseholders' representatives will be invited to take part in Best Value reviews of:

- General services which affect them
- Specific leasehold management arrangements, including service charge administration and leaseholder consultation

5.11 Through leaseholder residents' associations, general tenants' and

residents' associations and RotherFed, we will offer leaseholders the opportunity to get involved in decisions about how services are run and the standards of those services.

5.12 The Leasehold Management Policy operates within the wider framework of policies on matters affecting management and services: relevant policies include Resident Involvement, Complaints, Anti-Social Behaviour, Debt Management, Equality and Diversity.

## **6 Monitoring**

6.1 Regular monitoring will take place to ensure that we comply with this Policy. Reports will be made to the Board to enable it to monitor progress against agreed targets and performance indicators and to agree any remedial action or revisions to the Policy or procedures.

6.2 Performance reporting will be co-ordinated by the Leasehold Team who will develop performance indicators specifically for leasehold management.

6.3 Leaseholder surveys will be carried out periodically and the results used to improve services. Performance and satisfaction levels will be reported to leaseholders through newsletters and the annual report.

## **7 Staff Training**

7.1 The success of the Policy and the quality of services to leaseholders depend on the knowledge of the staff on leasehold matters. Staff will be well-trained, particularly following changes in the law. Staff will be encouraged to seek advice as appropriate, especially in understanding the terms of leases.

7.2 There will be thorough induction training for new staff and regular updates for all staff who have responsibilities for any part of the Leasehold Management Policy and procedures. This will include technical and office based staff.

## **8 Review**

8.1 The Leasehold Management Policy and accompanying procedures will be reviewed periodically by our staff and Board, in consultation with leaseholders. The review will ensure that the policy takes into account:

- Changes in statutory guidance and developing good practice
- The action plans resulting from any Best Value reviews
- The feedback from leaseholders in surveys and through monitoring of complaints.

## **9 Action Plan**

9.1 The Action Plan is contained on the Road to Excellence Framework and is monitored through the Road to Excellence/RisGen Process Plan on a four-weekly basis.

