

# The Leaseholders' Handbook



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## 1. Introduction

Whether you are a new or existing leaseholder, this handbook provides you with information in relation to your home and the services you can expect from us, your landlord.

As the content of leases differ, it is not always possible to provide you with as much specific information as we would like e.g. One lease may specify that you should be invoiced for service charges in April, whilst another may specify it should be in September. Although this handbook will provide a general guidance for you, we will refer to individual leases for direction, and would encourage you to do the same.

Please keep this handbook in a secure place so that you can refer to it easily when needed. An electronic copy is available on our website. If you would like to receive this handbook in a different format, such as braille, large text or in another language, please contact us on 0300 123 8084.

***Please note:*** *This handbook has been designed to help you and offer you general guidance on being a leaseholder. This document does not replace your lease and is not a substitute for legal advice.*

## **2. You and Your Lease**

### **What is a Lease?**

When a person buys the lease of a property, they become a leaseholder of that property (also known as a lessee or a tenant).

Your lease is a type of tenancy that allows you to live in your home for a given number of years. This will be defined in the lease as 'the term'. The term will start when the property was originally sold. This is often a term of 125 years. Please refer to your lease for your specific term. If you have bought the property through the open market, the term will still apply to when the property was originally sold.

The lease will note the owner of the freehold of the property (also known as the lessor or the landlord).

The lease will name the owner of the freehold when the lease was first created. Following consultation and a ballot of tenants, Gwynedd Council's housing stock, including the freehold of your property, was transferred us on the 12<sup>th</sup> of April 2010. This means that we are now legally the freeholder and landlord of the property since the 12<sup>th</sup> of April 2010.

A lease is a complex legal contract that sets out the rights and responsibilities of both you the leaseholder and the freeholder. There are many different leases, therefore it is important to understand what is outlined in yours.

There can be serious consequences for either party breaking the conditions set out within the lease as it is enforceable in law. All parties that sign the lease have a responsibility to keep to the conditions of the lease.

### **Your Rights and Responsibilities**

Here are some of your main rights and responsibilities as a leaseholder:

- You are responsible to pay ground rent and service charge invoice on time
- You have a right to only use the leased property as a private home and not for any business/commercial use
- It is your responsibility not to cause any nuisance or anti-social behaviour
- You may have the right to make improvements and alterations within the property, your lease will specify this. If you do, you will need written consent from us before carrying out the work
- You may have the right to extend the term of your lease by purchasing a new lease
- You have a responsibility to keep the part of the property that you lease in good condition and to arrange/carry out any work that you are responsible for

- You have responsibility to allow our staff, agents, workmen or contractors to enter your property following reasonable notice to carry out any repairs to your property or adjacent premises (in emergencies reasonable notice may not be provided)
- You have a responsibility to pay your major works invoice on time
- You have the right to sell on your lease (in which case you would assign the lease to the buyer)

It is not possible to outline every right and responsibility you have as a leaseholder, we recommend that you;

- ✓ Refer to your own lease
- ✓ Contact your own independent solicitor/ legal advisor
- ✓ Contact the Leasehold Advisory Service [www.lease-advice.org](http://www.lease-advice.org)

### **Assigning Your Leasehold Property**

You have the right to assign your leasehold property to another person. Assignment is the term used for a formal transfer of a property e.g. when ownership of a lease is transferred from one person to another.

Following an assignment, the new (incoming) leaseholder must provide us with a Notice of Assignment (this will be specified within the lease). The new (incoming) leaseholder is also expected to provide us with a Notice of Assignment if a property is transferred to their name by assent of court order.

It is the new (incoming) leaseholder's responsibility to inform us of any changes to personal information e.g. change in correspondence address, new telephone number etc.

### **Our Responsibilities**

Here are some of our main responsibilities as the landlord (freeholder):

- We have a responsibility to calculate your service charges in line with your lease
- We have a responsibility to insure the whole block in which your property is located for its full reinstated value. You are not allowed to opt out of this insurance, therefore, please ensure that you are not paying for a separate policy. We do not insure your homes contents. It is your responsibility to arrange Home Contents Insurance separately
- We have a responsibility to repair and maintain the structure and external features of the block and/or estate

- We have a responsibility to repair and maintain communal areas
- We have a responsibility to repair and maintain all equipment associated with services supplied to the block and/or estate, such as lifts, inside and outside lighting, CCTV etc
- We are responsible for maintaining shared grass, communal gardens and planted areas (excluding private gardens) that we own
- We are responsible for consulting with you before any major works are carried out on the property or when a long-term agreement is entered into.

*Please note that we will recharge you the costs of these services as a Service Charge according to the terms of your Lease*

### **3. Get Involved**

We are always looking for enthusiastic tenants, leaseholders and residents to take part and to influence the services you get from us. We want to hear your opinion on how we can improve and develop our services. This is your chance to play a part in our future as well as gain valuable new experiences. As a social landlord, we are committed to ensuring that we offer various opportunities that inspire our customers to get involved and shape and improve our services.

#### **How can I get involved with CCG?**

You can decide whether you want to get involved by giving a lot of your time or by giving a little of your time. We are looking to offer different options which will suit everybody's different needs and circumstances.

We hold regular meetings for those of you that are willing and able to dedicate more time and we also offer less formal methods for those of you with less time on your hands. Here are some examples on how you can get involved:

- **Tenants and Residents Associations**

Tenants and Residents Associations act on a local level within their communities. A group of Tenants and Residents that come together to hold activities in their local communities or to improve their communities.

We offer an annual grant for Tenant and Residents Associations to help with administrative costs and to support events.

- **Customer Panel Member**

The Customer Panel is a way to get involved with us and influence the services that you receive from the comfort of your own home. We send a questionnaire out to members four times a year and ask for their opinion on different topics. You can respond to the questionnaire by completing a paper questionnaire, over the phone or online.

Everyone who completes the questionnaire will be put forward to a prize draw with the opportunity of winning £150, £50 or £25.

- **Quality for Tenants Team**

The Quality for Tenants Team is a team of tenants that call other tenants to gather their feedback regarding the services provided by us. The team will then create a report including recommendations on how to improve the service and present it to the relevant service manager.

- **Customers and Communities Group**

This group acts as the main co-ordinating body for customer engagement on all relevant matters relating to services that fall under the Customer and Communities directorate, namely;

- Landlord Services i.e. Allocations, Rents, Neighbourhood Services, Tenancy Support and Sheltered Housing.
- Communication
- Customer Care
- Community Involvement
- Community Regeneration
- Financial Inclusion and Digital Inclusion

- **Homes and Assets Group**

This group acts as the main co-ordinating body for customer engagement on all relevant matters relating to services that fall under the assets directorate, namely;

- Repairs and maintenance service
- Improvements programme
- New build & development programme
- Land and facilities

- **CCG Tenant and Resident Partnership**

The partnership is a group of our tenants and residents and is the main body which works with us on matters relating to tenants and residents. We consult with the partnership before making any big decisions that will have an influence on or which will affect our customers.

During the partnership networks, there is an opportunity for tenants and residents across Gwynedd to come together to discuss ideas and concerns, and take part in various discussions and workshops.

The partnership network meets up approximately every two months in different locations throughout the county.

- **Participation in the Procurement Process**

Where possible and relevant, leaseholders may be invited to participate in the evaluation of contractors appointed to undertake work and provides services relevant to their block and/or estate as part of the procurement process.

- **Factsheets**

We have many different factsheets available on our website that have been specifically designed for leaseholders and tenants. The contents of the factsheets vary and will provide a breakdown of information which will hopefully shed light on otherwise complex topics. Examples of leasehold related factsheets include:

- Leaseholder Service Charge Factsheet



- Invoicing and Paying for Major Works Factsheet
- Major Works FAQ's Factsheet

If you can think of a specific topic/area related to leasehold management that you would find useful in a format of a factsheet, please contact us to let us know.

- **Tenant Newsletter**

All leaseholders will be sent the Tenant Newsletter twice a year. Although the contents of the newsletter is specifically targeted towards tenants, there is useful information that's relevant to all of our customers.

As and when relevant, Leaseholders' will receive an information bulletin when leasehold related matters arise.

- **Estate walkabouts (visits)**

We organize a number estate visits to different areas across Gwynedd each year. This enables us to meet you in your homes and communities. This is an opportunity for you to discuss matters, share ideas or to report any complaints or concerns with a member of staff.

- **Participate in Task and Finish Groups**

From time to time, we commission a group to look at specific areas of our services. As a rule, the group only meets once and their findings are used to make decisions to improve the service.

- **Satisfaction Surveys**

We will send all leaseholder a satisfaction survey which include a variety of different questions related to their property and the services they receive from us. This allows you the opportunity to share your views and to allow us to get a better understanding on the areas that you require further information. We will aim to address the main concerns raised from you and inform you of how we have done so.

### **Let us Know How You Want to Get Involved**

We are very open to our leaseholder being involved in ways that suit them and we will always consider suggestions for new approaches.

If you would like more information on any of the different ways in which you can get involved, please contact our Community Involvement Team for an informal discussion on 0300 123 8084.

## 4. Service Charges

### What are Service Charges?

Service charges are your proportion of the costs for the services you receive that are provided by us to your block and/or estate. These charges are recoverable under the terms of the lease and must be paid by you the leaseholder.

Service charge invoices will be calculated on an estimated basis for the year, with an adjustment made for the difference between the previous years estimated costs and the actual costs.

The services you pay depend on the location of your property and the services provided to the building. You may not receive all of the services listed below.

The services we can charge for, and the proportion we can charge for will be outlined within your lease.

***Please note:** Refer to your lease for details of recoverable service costs that affect you*

### Service Charges Description:

Here are different examples of service charges that may appear on your invoice. Not all sites receive these services. This list is not exhaustive. You should be aware of which services your site received.

- **Building Insurance**

We insure the whole block in which your property is located. You are not allowed to opt out of this insurance, therefore, please ensure that you are not paying for a separate policy. We do not insure your home's contents. It is your responsibility to arrange Home Contents Insurance separately.

- **Cleaning Services**

A cleaning service charge could include clearing all communal areas such as hallways, landing and stairs (this may include external communal areas e.g. window cleaning).

- **Communal Electricity**

A communal electricity charge can include items such as the electricity used within the block e.g. communal porches, hallway, landing. Or externally e.g. external walkways, security light, supply of CCTV systems etc.

- **Grass Cutting and Grounds Maintenance**

This service charge includes the annual maintenance costs of communal gardens, grass or planted areas surrounding the leased property.

- **Estate Management Security**

Estate Management Security service charge costs could include servicing items such as CCTV systems, secure door entry systems etc.

- **Repairs and Maintenance**

You may receive a repairs and maintenance charge on the service charge invoice. This charge is variable and is calculated according to the costs of the repairs carried out to the block or communal area. These costs could include: the banister, roof, internal or external lighting, CCTV systems, rainwater goods etc.

Repairs and maintenance charges are recoverable under the terms of the lease. Please refer to your lease for further details.

***Please note:*** This cost is for specific work that has already been carried out to the property and not a sum collected for any possible future works (this is not a contribution to a 'reservice/sinking fund'\*). \*Reserve/sinking fund refers to money collected every month or year through service charges which builds up every year and is intended to pay for any major works. Not all leases allow for this.

If you receive any of the above services and are unsatisfied for any reason, please contact us to discuss your concerns as soon as possible. Please refer to 'Complaints and/or Concerns' for more information. Do not wait until you receive your service charge invoice to report any issues.

#### **Other Costs:**

- **Ground Rent**

All leaseholders are required to pay us an annual ground rent. The ground rent is payable to us as we own the land on which the property is located. You will be sent a 'Rent Demand Notice' for this charge along with a separate invoice to your service charge invoice.

- **Management Fee**

A management fee may be included in your service charge invoice. This charge will contribute to any costs we have incurred in relation to managing the leasehold services.

- **Major Works**

Any major works costs would be invoiced separately. Please contact us for any enquiries regarding your major works invoice.

## **Paying Your Invoice**

Please make arrangements to pay within 30 days of receiving your invoice.

When paying your service charges, you can choose to pay the amount in full or you can request to pay by monthly instalments. We will expect the annual charge to be paid in full within the financial year.

Here are the options available to you when paying your service charge invoice:

- Set up Bank Standing Order
- Cheque payable to Cartrefi Cymunedol Gwynedd
- Pay at any Barclays Branch
- Online Bank Transfer

If you are going to have difficulty in paying your service charge invoice, please contact our Finance Department as soon as possible to discuss your options.

Any leaseholders falling behind with their payment arrangements will be sent reminder letters. Where leaseholders have persistently failed to pay, we may instigate legal action as necessary, to recover the debt through the County Court. Where a leaseholder's mortgage company can be identified, and where we have been unable to secure payment, we may notify the mortgage company of the outstanding arrears and request payment from the mortgage company. We will notify the leaseholders' in writing of any action being taken.

## **5. Repairs and Maintenance**

The leases specify both our and your repairs and maintenance responsibilities. You should refer to your own lease for clarification as required.

### **Leaseholder's Repairs and Maintenance Responsibilities**

As the leaseholder, you are responsible for making your own arrangements to carry out the repairs and maintenance work for which you are responsible.

Your repair and maintenance responsibilities mainly concern the inside of your leased property. Your responsibilities are detailed in your lease and can include (but are not limited to):

- Internal walls
- Fixture, fittings and internal decoration
- Plaster or other surface material on interior walls and ceilings
- Fittings such as a kitchen, toilets, baths and showers
- Floorboards
- Internal doors and door frames
- Radiators, cisterns, tanks, boilers and pipes used exclusively within the flat
- Gas, water and electricity installations exclusive to the flat
- Any leaks or burst pipes, including damage caused to any other of our properties as a consequence

You have the responsibility to arrange for the work to be done as well as pay the related costs.

### **Improvement and Alterations Requests**

Your rights to make improvements or alterations to the leasehold property are outlined within the lease. Not all leases allow for improvements and alterations and where they do, it is essential that you obtain our written consent.

All requests will be dealt with in the same way as the Tenant's Improvements and Alterations process. We will not unreasonably withhold consent. When consent is refused, we will inform you in writing of this.

If you are unsure if consent is required, you should firstly refer to your individual lease and if you are still unsure, contact us to check.

### **Our Repairs and Maintenance Responsibilities**

As the landlord, we are responsible for arranging the repair and maintenance of the structure, exterior and shared parts of your block and/or estate. As a leaseholder, you will be recharged for your share of the cost for these repairs within your annual service charge invoice as outlined within your lease. Your share of the cost will be calculated using the method outlined in your lease. Our repairs and maintenance responsibilities are detailed in your lease and may include (but are not limited to):

- Exterior walls
- Roof

- Foundations
- Timbers and joists
- Beams
- Chimney stacks
- Rainwater and soil pipes
- Sewers and drains serving the building
- Gas, water and electricity pipes up to the flat
- Communal hot water systems
- Exterior decoration
- Internal common way decorations
- Communal windows and doors
- External windows
- Communal electric
- Communal lifts
- Communal grounds and parking areas
- Fire prevention controls
- Repairs to door entry systems

If you have any doubts about who is responsible for repairing and maintaining different areas of the property, take a look at your lease as it will detail who is responsible for the different areas.

### **Planned Maintenance**

We will regularly maintain the property, to ensure it is kept up to an acceptable standard.

This will include:

- Maintaining communal lifts
- Maintain an Asbestos Register and maintain or remove any Asbestos-Containing Material (ACM) as may be required following an assessment of its condition
- Fire safety inspections to communal buildings
- Inspecting communal water storage facilities

### **Gas Servicing**

We will not carry out gas safety checks for residential leasehold properties as it is your responsibility to do so. We recommend that you make your own arrangements to carry out the necessary gas safety checks. We may request copies of certification regarding boiler servicing and heat producing appliances.

We will however, carry out annual gas safety checks for communal areas/shared facilities as necessary.

## 6. Section 20 Consultation

We are required to carry out statutory consultation with you our leaseholders and Recognised Tenants Associations (RTA's) under Section 20 of the Landlord & Tenant Act 1985 when:

- **Qualifying Works:** Applies when, 'Work on a building or any other premises', that is, work of repair, maintenance or improvement. (The Lease will specifically specify if we can recover costs for improvements). When calculating the estimated costs, relevant VAT on the works will be included. We will consult if these works will cost over £250 for any one Leaseholder.
- **Qualifying Long-Term Agreements:** Applies when we enter into an agreement with a wholly independent organisation or contractor for a period of more than 12 months. We will consult with leaseholders if they would have to pay more than £100 in any one year. The figure is calculated on the basis of The leaseholder's total contribution resulting from the agreement, including VAT.

Examples of possible Qualifying Long-Term Agreements include:

- Agreements affecting the building generally (e.g. maintenance contracts)
  - Cleaning and grounds maintenance
  - Insurance
  - Utilities etc
- **Qualifying Works Under a Long-Term Agreements:** Applies when, a Long-Term Agreement includes provisions for the carrying out of works to the property and these works will result in a charge to any one Leaseholder for more than £250, then a separate consultation must be carried out.

Wherever possible we will consult with you and will try our best to do so in an open, simple and transparent way.

### Emergency work and Section 20 consultation

In an emergency situation where there is little or no time to consult, for example where a roof or chimney collapses, work may have to be carried out without any consultation. However, you will still be liable for your share of the costs of the works.

## **7. Major Works**

### **Major Works**

As outlined within the lease, it is our responsibility to keep the structure of the building in a good state of repair. Large-scale repairs such as a new roof or windows are referred to as 'major works'.

A proportion of the cost of large-scale works is rechargeable to you under the terms of the lease. When we carry out major works, the costs involved can be significant, therefore as mentioned previously, the law requires us to consult with you in some circumstances. This is known as a 'Section 20 Notice'.

### **Claiming Exemptions for a Component**

Where you have replaced a component that is due for replacement under a major works programme, for example your windows, the relevant component will not be replaced if:

- All appropriate permissions have been obtained for the work (including our written approval, as well as Planning Permission where obligatory) and
- Your component is in good condition, (assessed by a competent surveyor) and is a similar specification and appearance to our product.

Leaseholders wishing to claim exemption for a component should notify us in writing as soon as they become aware of works being planned to their property. You must request an exemption:

- At least 6 months in advance of the planned works start date, or
- Within 14 days of the date on which we write to you advising them of the start date

### **5-Year Major Works Programme**

We will prepare a work programme that identifies the necessary works to be carried out on our properties for the next 5 years. We will share this information annually with you.

Sharing this information will allow you to prepare for these works and the related costs. However, these works may be subject to change, e.g. due to detailed surveys. If you have any questions on this matter or on the information you've received, please contact our Assets Department for an informal discussion on 0300 123 8084.

### **Invoicing for Major Works**

You will be invoiced the cost of the works, once the work has been completed and the final accounts have been reviewed. In some circumstances, we may wish to



invoice prior to completion e.g. phased base projects/projects that last longer than 12 months.

You will receive an invoice for the Major Works along with a covering letter, a copy of your Summary of Rights and Obligations, Breakdown of the costs and a copy of the payment options.

If the invoice needs to be adjusted for any reason, you will be sent a revised invoice or credit note.

### **When will I be expected to pay for this work?**

Once you are invoiced, you will be expected to contact us and arrange payment within 30 days of the invoice. A member of our Finance Department will be happy to discuss with you in more detail the different options available.

### **Paying your invoice**

Please make arrangements to pay within 30 days of receiving your invoice. You may request one of the following payment options:

- **Full payment within 30 days** - Leaseholders that pay the amount in full within 30 days of the invoice (subject to not having arrears on their routine Service Charge Account), will receive a 5% reduction in the cost
- **Full payment made within 12 months** - The total cost of the works can be spread across a period of 12 months' interest free (this does not include 5% reduction in the cost)
- **Major Works Mandatory Loan** – Leaseholders may be eligible to obtain a loan from Welsh Government to help pay large Service Charge bills (Major Works). If leaseholders meet the qualifying conditions, we will inform them of their right to a loan and will refer leaseholders to the Welsh Government
- **Buy Backs** - Buying back a leaseholder property will be at our discretion. Each case will be considered on its own merits. The Leaseholders proportion of the major works will be deducted from the price accepted by the leaseholder during the sale as well as any outstanding rechargeable or service charge arrears

Leaseholders' may wish to seek independent legal/financial advice.

## 8. Complaints and/or Concerns

Need to make a complaint? To see our guidelines on how to make a complaint, please visit our website [www.ccgwynedd.org](http://www.ccgwynedd.org). You can also request a complaint form to be sent to you, or download it from our website.

There is also an online feedback form available on our website.

All leaseholder related concerns or complaints will be dealt with through our Concerns and Complaints Policy.

As part of dealing with the complaint, we will consider dispute resolution options to try and resolve matters amicably and to preserve the relationship between us.

We will apply good practice recommended internal dispute resolution options where possible. Internal disputes resolutions may include, but are not limited to:

- Allow you to nominate a leaseholder champion to help resolve disputes along with their fellow leaseholders
- Be clear about our internal complaints procedure, stating process, actions and timescales
- Hold face-to-face meetings with groups and/or individual leaseholders

Where internal dispute resolution option has not been successful or is not relevant for a specific dispute, external dispute resolutions will be considered. External dispute resolution options will be an independent third party and include:

- Early Neutral Evaluation (ENE) - Is an assessment of the issues by an independent expert with leasehold experience such as a retired Tribunal judge comments on the merits of the issue. However, their opinion is not binding (The cost of the ENE will be shared between us and the leaseholder)
- Mediation - Having a mediator facilitating a meeting between disputing parties to help them understand each other's viewpoint and explore all possible options to resolve the matter. (The cost of Mediation will be shared between us and the leaseholder)
- Arbitration - Settling a dispute by using an independent referee, to avoid going to court.
- County Court
- Leaseholder Valuation Tribunal (LVT) - The LVT in Wales and the Residential Property Tribunal act as independent arbitrators for leasehold disputes and their decisions are binding.

## **The Complaints Guidelines and Procedure**

- For detailed information about the complaint guideline & procedure, please see the 'Complaints Guidelines' on our website, or contact us on 0300 123 8084 for a copy to be sent through the post
- The guideline includes information on what we would class as a complaint, how we will deal with the complaint, the acknowledgement & investigation timeline and what we expect from you

## **9. Contact Us**

As a leaseholder, your views on the services we provide and how we provide those services are valued. We need to know if a service is not up to the standard that you expect, but it's also good to know when we get things right.

You can contact us in Welsh or English.

There are many ways for you to get in touch:

### **Call Us**

For all repairs, enquiries and assistance, please call us on: [0300 123 8084](tel:03001238084). Our Customer Services team can be contacted between 8am – 6pm Monday to Friday

### **Email us**

For general enquiries, you can email [enquiries@ccgwynedd.org.uk](mailto:enquiries@ccgwynedd.org.uk)

### **Write to Us**

Cartrefi Cymunedol Gwynedd  
PO BOX 206  
Bangor  
Gwynedd LL57 9DS