

# Leaseholders Handbook



**Epping Forest  
District Council**

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## 1. Introduction

This handbook is for Leaseholders who pay service charges to Epping Forest District Council and we hope that you find it useful and helpful. Many Leaseholders who pay service charges are first time buyers, and owning a property is a new challenge.

The aim of this handbook is to give you general information about your Lease, your annual service charges, what you can expect from the Council, and what the Council expects from you. We also hope that it covers some of the questions you may have.

The handbook is only a summary of the broad terms of our lease and does not override your individual Lease or any other legal agreements (including a mortgage deed). You should not rely on it if any difficulty or dispute arises in connection with your Lease. If this were to happen, you should take independent advice from a Solicitor, Law Centre or Citizens Advice Bureau.

If you want to know more, please contact us and we will do our best to assist. Contact the Leasehold Services Officer, Housing Directorate, Epping Forest District Council, Civic Offices, High Street, Epping, Essex CM16 4BZ. Telephone: 01992 564015

The contents of this handbook are believed to be accurate at February 2008, but no responsibility can be accepted for any errors or omissions.

This handbook tries to provide you with general information about the Council's responsibilities and your responsibilities. It is not a comprehensive list of everything, but a guide.

## 2. Your Lease

Your Lease is a legally binding document and is the contract between you and the Council.

Your solicitor should have explained what the Lease means before you purchased, and what your rights and duties are under the Lease. The Council also has rights and duties under the Lease.

The words used in legal documents, like your Lease, are often words we do not use in everyday life.

We hope you will find this general guide to your Lease helpful.

### Your Lease explained:

Your Lease is a contract between you and the Council. The Lease is usually for 125 years, from the date of the first sale within your Block. This means that when the first person in your Block bought their property under the Right to Buy Scheme their Lease would be for the maximum of 125 years. If you then purchased 10 years later your Lease would be for 115 years from the date of purchase.



The following is based on our current lease format. Please note that earlier leases may have some differences. If you have any concerns about particular wording in your Lease that is not covered by the following explanations, you can ask us to explain, or seek independent legal advice.

The Lease starts with 14 clauses that are prescribed by the Land Registry and give the date, information the land registry requires with regards to the title and the matters affecting the property, and details of the parties to the Lease (Epping Forest District Council and the original leaseholder who exercised the Right to Buy). If you purchased the Lease from the original leaseholder your name will not appear here. However, you are still bound by this Lease as you have bought the contract.

**Clause 1** of the main body of the Lease sets out 'DEFINITIONS, INTERPRETATION AND GENERAL.' There are 21 sub-clauses that explain in legal terms what is meant in the Lease by particular phrases. Many do so by referring to attached plans; Acts of Parliament; other clauses and Schedules to the Lease in order to explain their meaning.

**Clause 2** is headed 'DEMISE.' This term actually describes what you have bought (the right to occupy the dwelling for the period of the Lease and subject to its conditions, in particular the Rent and Insurance Rent).

**Clause 3** has the title, 'LESSEE'S COVENANTS.' You are the 'Lessee' (or Leaseholder) and the 'Covenants' are what you have agreed to do as a requirement of the contract/Lease. Thirteen sub-clauses set these out. In summary, you are responsible for the following:

- Paying the ground rent and insurance rent on the due dates (1st January and 30th June respectively each year);
- Paying the Council Tax, and other demands for the dwelling, and any VAT that the Council may have to recover;
- At your own expense, meeting any statutory requirements (such as planning or environmental health orders) relating to the dwelling;

- Keeping the dwelling in good repair and decoration (bathroom and kitchen fittings, other fixtures and fittings);
- Paying the Council's costs of recovering arrears due from you, or taking action in respect of a breach of the Lease (an Administration Charge);
- Handing the dwelling back to the Council in good condition at the end of the Lease (in practice you can buy an extension of the Lease, so this may never happen);
- Repaying any Right To Buy discount you received if you sell within 5 years of the initial purchase of the Lease, in accordance with the law;
- Similar repayment if you enter into a Deferred Resale Agreement (to sell later) before the initial purchase or within the first five years;
- Offering the Council the first option to repurchase your Lease if you are the Right To Buy (RTB) purchaser selling within 10 years of the start of your Lease (if the RTB was on or after 18/01/2005); (There is a restriction entered at the Land Registry in respect of the above);
- Not granting rights to anyone else in respect of your dwelling;
- Notifying the Council within one month of any assignment / transfer (re-mortgage/ sale) or sub-letting of the dwelling and paying the appropriate fee (an Administration Charge);
- Observing any restrictions detailed in the Third Schedule of your Lease.

**Clause 4** sets out further 'covenants' (promises) made by you to both the Council and other residents in the Building:

- You have a duty to maintain your dwelling internally so that it does not affect any other part of the Building (by leaks for example);
- You must pay your share (calculated by reference to rateable values) of Maintenance Charges. This is payable monthly in advance on an estimated



basis during each year. After the end of the year, there will be an adjustment between the estimate and actual amounts. There may be maximum limits set out for your dwelling that apply to the first full five years of your Lease only;

- You must comply with the regulations set out in the Fifth Schedule of your Lease;
- You must allow the Council to inspect the interior of your dwelling;
- If the Council sends you a list of repairs necessary within your dwelling, you must start to do them within 10 days. If you do not do them, the Council can enter your dwelling, carry them out, and charge you for doing so (an Administration Charge);
- You must allow the Council to enter your dwelling to carry out repairs to parts that are not your responsibility, subject to 3 days notice (except in an emergency);
- If you have a dispute about the Premises with a neighbour you must allow the Council to determine and settle it;
- You must not make any alterations or additions to the dwelling, such as removing walls or adding balconies.

**Clause 5** states that if any payment under this Lease is not paid to the Council within 21 days of it being due, the Council can start legal action (which could result in the ending of your Lease, with no compensation). The Council would only enforce this in extreme cases. If you have any problem with payment you should contact us to discuss the options that may be available. Clause 5 also sets out the rules for serving notices.

**Clause 6** sets out the Council's covenants (promises) to you:

- To allow you 'quiet enjoyment' of the dwelling, provided you keep to your promises;
- To maintain and renew the structure of the Building and any other parts of the Estate (if applicable) and to keep the Building insured;
- To maintain, decorate, renew, improve the structure, common areas and components of the Building and Estate (it also states that the Council can recover from the leaseholder or any other person the costs of any loss or damage that they have caused);
- So far as practicable (depending on what is stated in the Sixth Schedule) to clean and light the common parts;
- To grant all leases in the Building with similar terms (but there may be old leases that cannot be changed);
- The Lease then has six sections known as schedules.

#### **First Schedule -**

This sets out your rights, for example, to use rights of way to and from your home, to use refuse chutes, to use shared amenities such as gardens and open space. This schedule is subject to the rights granted for a particular property in the Sixth Schedule.

#### **Second Schedule – Reservations to the Council**

This sets out the Council's rights, for example rights of way and powers in respect of pipes, sewers, cables and so on.

**Third Schedule** – Restrictions to which the Demised Premises are subject.

This lists any legal restrictions that apply to the Building and/or Estate.

**Fourth Schedule** – Service Charges (“Costs expenses and outgoings and matters in respect of which the Lessee is to contribute.”)

This lists what costs can be included in your service charge (both in the annual estimate and the actual charge) for which you will pay a proportion. These include:

- All the maintenance costs arising from Clause 6.3;
- The costs of any cleaning, heating and lighting the common parts and grounds maintenance as appropriate;
- Any taxes on the common parts;
- Costs of communal refuse bins and collection;
- All works costs arising from Clause 6.2 (subject to restrictions set out in the Sixth Schedule);
- All other management and maintenance expenses of the Building and Estate;
- Costs of managing agents, or if none are appointed, at least 15% added to the cost of the above items to cover the Council’s costs.
- Normal charges of the Council (including profit) in respect of redecoration or renewals;
- Any VAT arising;
- All power charges and meter hire in respect of heating and hot water supply;
- Charges for equipment such as aerials, digital systems, CCTV, door entry or fire prevention equipment;
- Any professional fees incurred related to any of the above items.

**Fifth Schedule** – Restrictions and Regulations

This schedule lists the regulations to which

you must keep. They normally include rules forbidding:

- use of your home for business purposes;
- doing anything that would cancel the insurance;
- throwing litter from your home;
- causing annoyance to your neighbours;
- displaying signs, hanging out washing from the Building, placing flower pots outside the property or shaking mats out of the windows and keeping any animal without the Council’s written consent;
- putting up any external aerial or similar, or attaching anything to the outside without the Council’s approval;
- parking anything other than a private motor vehicle on the Estate, and parking outside of designated parking spaces;
- selling or manufacturing intoxicating liquors, or anything that may be a danger or nuisance to the Council or your neighbours;
- obstruction of any common parts of the Estate;
- holding any sale or auction at your home;
- interference with any TV aerial system;
- any painting, decoration or renewal of any external part;
- interference with any CCTV or digital Television aerial, door entry or fire prevention system;
- not keeping your floors covered with some sound deadening (such as carpets, or similar).

**Sixth Schedule** -

This sets out the ‘particulars’ of your Lease, referring to plans to identify the Premises, Building and Estate and also identifying the specific facilities that you have the right to use.

Note: Those items marked as an Administration Charge are subject to separate statutory rules from service charges and ground rent. See the later separate heading.

### 3. Annual service charges

We estimate the service charge for the forthcoming year. We will send you information about this at least 30 days before 1 April when the first payment becomes due. A new standing order form will be sent to you at this time. The payments you must make during the year are a requirement of the Lease. They are due on the 1st of each month. These payments are 'estimated payments on-account.' If you fail to make the payments, we can take legal action against you. It is therefore very important that you let us know if you have difficulty paying, so we can consider what we may be able to do to help you. You may be eligible for benefit payments that will help you to pay.

There are various means of payment available to you:-

- a) Standing order (the Council will arrange this for you, on request).
- b) 24 hour telephone payments (quoting your reference number). Telephone Number 01992 564600
- c) Payment book (issued on request)
- d) Cash offices – There are three cash offices around the District:-
  - Civic Offices, High Street, Epping
  - Town Hall, Waltham Abbey
  - Area Housing Office, 63 The Broadway, Loughton

The Cash Offices are open from 9am to 4.45pm Monday to Thursday and 9am to 4.30pm on Fridays)

By September of each year the Council will have calculated the actual charges for the previous year, and you will be notified of this. If the actual charge is less than the original estimate (for that previous year) then a credit will be applied to your service charge account. If the actual charge is more than the original estimate (for that previous year) then you will be required to pay the difference and it will be added to your account.

Service charges are calculated by reference to the costs that we have paid. These are then apportioned using a formula that takes the rateable value of your dwelling divided by the total rateable value of the Building/Estate, as required by the Lease.

A slightly more detailed statutory breakdown of your service charge (together with supporting documentary evidence) can be provided. You need to request this in writing. However, please note that currently under Sections 21/22 of the Landlord & Tenant Act 1985 you must request this information within 6 months of receiving the bill for actual charges. After that period the Council is under no legal obligation to provide copies of supporting documents such as invoices paid, unless required to do so by a Leasehold Valuation Tribunal, Court or Arbitrator.



We will send you a statutory 'Summary of Rights and Obligations' whenever we first demand a service charge from you. This will be sent to you when we issue new estimates, and again if we have an additional charge because the costs exceed the estimates. Existing Leaseholders have been receiving similar statements headed, 'Service and Administration Charges – Your Rights and Obligations as a Leaseholder' but this statement is now replaced by the separate statutory notices for service charges and administration charges.

## 4. Management fee

The Council is obliged to recover the cost of providing its Leasehold Management service from Leaseholders who pay service charges, and this is called the management fee. This is included and identified in your service charge.

The Lease states that we can recover at least 15% added to the cost of the services. Normally we will recover a fixed fee for the year, but it may be increased if 15% of the direct costs is a greater sum.

Below are some examples of what costs are incurred in providing a Leasehold Management service:-

- The salaries of the staff who are employed to provide this service
- The office costs incurred in providing this service, for example office equipment such as desks, chairs, postage, job advertising, printing and stationery.
- An apportionment of the cost of the Building where the staff are located, such as electricity bills, rates, general running costs.
- Computer costs. This covers the cost of supplying, maintaining and repairing office computers and for supplying software

## 5. Fees and disbursements

These are additional costs that we have to pay to any accountant, solicitor or other professional person in respect of the accounting and service charge requirements. We can only recover the amount we have paid as set out in paragraph (12) of the Fourth Schedule of the Lease.

## 6. Administration charges

These are charges payable under your Lease which are not service charges, insurance or ground rent. They have

been identified as a separate charge and made subject to separate legislation by the Commonhold and Leasehold Reform Act 2002. Those items which are Administration Charges are noted in the section **Your Lease explained** above.

We will send you a statutory 'Summary of Rights and Obligations' in relation to Administration Charges whenever we demand a payment that includes an Administration Charge.

## 7. Long Term (or Partnering) Agreements

We must consult you about any agreement that will last for more than 12 months, if we are to charge you more than £100 per annum for the service covered by the agreement (including insurance). This consultation must follow a statutory format, currently involving several letters, and will be carried out over a period of at least three months. You will be asked to make observations, and we must 'have regard' to them. We also have to provide a response, sometimes circulated to everyone who is being consulted, at other times only to those who made the comments.

Please note that a 'consultation' is not a vote. If we do not have to advertise the contract in the Official Journal of the European Union, you will be asked if you want to nominate a contractor to do the work. Our duty is then to try to obtain an estimate from the most popular nominated contractor, as well as our choice of contractors. We do not have to accept the quote from a nominated contractor, but if we obtain an estimate and do not take it up (or the one at the lowest price) we have to explain to you why we did not.

There are some statutory exceptions to this requirement. For example, we do not have to consult if the service is delivered by our own employees and we simply charge the costs arising from their contract of employment.

'Constructionline' is the UK's register of pre-qualified local and national construction and construction-related suppliers. Please note that if you nominate someone to carry out works, not listed on 'Constructionline' in the relevant works discipline, we will have to take the extra time necessary to check they can meet our approval criteria (that they have appropriate expertise, insurances and other qualifications).

## 8. Major works

Major works are those works that the Council carries out to a Block or an Estate, often as part of a larger scheme or project, that cost over a statutory 'prescribed amount'. For example the works could be to provide a new roof or replacement windows, and could include less major works such as water tank cleansing or boiler house works. Currently the 'prescribed amount' is £250 per contributing leaseholder.

Leaseholders will normally be required to contribute towards the costs of such works undertaken as set out in their Lease.

If the works are required within the early years of that Lease, the costs may be limited by the estimate that we gave you with the purchase price.

Consultation has to take place for 'Works' that are not part of a Long Term (or Partnering) Agreement, if we are to recover more than £250 from any leaseholder in respect of those works. This has to follow a statutory format, currently involving several letters over a period of at least three months. You will be asked to make observations, and we must 'have regard' to them. We also have to provide a response, sometimes circulated to everyone who is being consulted, at other times only to those who made the comment.

Please note that a 'consultation' is not a vote. If we do not have to advertise the contract in the Official Journal of the European Union, you will be asked if you want to nominate a contractor to do the work. Our duty is then to try to obtain an estimate from the most popular nominated contractor as well as our choice of contractors. We do not have to accept the quote from a nominated contractor, but if we obtain an estimate and do not take it up (or the one at the lowest price) we have to explain to you why we did not.

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If 'works' that will exceed the 'prescribed amount' are to be carried out within the terms of an existing Long Term (or Partnering) Agreement, we must carry out a shorter version of the statutory consultation, about the need for the works only.



## 9. Repairing responsibilities

The Council is responsible for the main structure of the Building, the shared parts and any shared services to your Building or Estate and you are responsible, generally, for all other repairs. As a rule you are responsible for everything inside your flat that is not structural.

As a guide you are responsible for the following:

- Decorating the inside of your home
- Plaster and finishes to walls, ceilings and floors inside your home
- Your own heating and hot water systems
- Window glazing and the inside frames of external windows
- Doors inside the home
- The entrance door to your home
- Individual fences (this may be the case in certain circumstances, please contact Epping Forest District Council in respect of your property for clarification). Please refer to useful contacts at the end of this handbook.
- Penetrating damp caused by leakage or overflow from your flat.

You may be able to claim the cost of some of these repairs from your Home Contents Insurance or from that of a neighbouring flat.

The Council is responsible for the following communal repairs, and will pass the shared costs of such works to Leaseholders through the annual service charges:

- The structure and outside of the Block
- The shared areas and services - such as staircases, lifts, shared TV aerial, and so on
- Boilers for shared heating and hot water
- Outside areas of the Estate, Estate walls and shared fences
- Shared water tanks, plumbing and electricity supplies

- Gutters, rainwater and soil pipes
- Penetrating damp caused by structural problems

### How to report a communal repair

The telephone number for reporting repairs **in normal working hours** is 01992 564199:

Please note: The Council does not provide a full repairs service outside of normal working hours. An emergency service is provided where there is a question of safety.

The telephone number for this service is: 01992 564000.

The repairs service will deal with all genuine emergency repairs, except gas leaks for which you should phone the national gas emergency service on 0800 111 999.

It should also be noted that repairs will not be carried out where those repairs are the responsibility of the Leaseholder unless a charge is paid.

Each repair job receives a classification. Emergency repairs (category A) are normally carried out within 24 hours. Category B repairs are considered urgent and are normally carried out within seven working days. Non-urgent (category C) repairs should be carried out within eight weeks. An inspector may need to visit your home to assess what needs to be done.

## 10. Insurance

The Council, as the freeholder, insures the Block where your home is situated. As with other service charges the Council will then recharge you your share of the cost.

### Building insurance

This does not provide cover for day to day maintenance and repairs that are caused by wear and tear over time.

It does normally provide cover for damage to the Building caused by such things as:



- Fire, lightning, explosion or earthquake
- Aircraft
- Storm, tempest or flood
- Escape of water and frost damage to fixed water tanks, apparatus or pipes
- Escape of oil from fixed domestic oil-fired heating installation and smoke damage resulting from a defect in **any** fixed domestic heating installation
- Theft or attempted theft with regards to damage to the property not contents.
- Impact by any vehicle or animal
- Subsidence, landslip or heave
- Falling of fixed radio and television aerials, fixed satellite dishes, their fitting and masts
- Falling trees, telegraph poles or lamp-posts.

Please note there is an insurance excess on your policy.

### **Unoccupied Buildings – More than 30 Days**

**If your premises is unoccupied for more than 30 days cover ceases for malicious persons and escape of water – please make sure you meet the following criteria:-**

- Notify the Council immediately if the property becomes vacant for more than 30 days.
- In addition to this please notify the Council immediately the property becomes occupied.

- If your property has its own mains services it will need to be turned off (except electricity supply to maintain any fire or intruder alarm system).
- If your property has its own water system this will need to be completely drained or, during the period 1 October to 1 April each year any central heating systems may be kept working at a minimum temperature of 5 degrees C. (Additionally, where sprinkler systems are installed it may be necessary to maintain water supplies. In these circumstances heating must be maintained at a minimum temperature of 5 degrees C.
- Arrange the inspection of your property internally and externally by an authorised representative, removing waste where necessary.
- Seal up all letter boxes and take steps to prevent accumulations of mail.
- Secure the property against unlawful entry by closing and locking doors and windows and setting any fire or intruder alarm systems.

### **Making a claim**

If you suffer from any of the insured risks as stated, please contact the Council's Insurance Section on 01992 564000 extension 2055.

### **Contents insurance**

The Council's building policy does not insure your personal possessions or contents such as carpets, curtains or furniture. Therefore, you are strongly advised to arrange your own home contents insurance policy. Contents insurance would normally provide cover against damage in events such as flood, theft or fire. If an accident, such as flooding, occurs then your contents policy would normally enable you to claim for the damaged item on a "new for old" basis. If you had no contents insurance you would need to prove that someone else had been negligent in order to recover your costs. Even if you proved a third party was at

fault then any compensation would be on the basis of “less wear and tear” (the value of the items at the time of the accident) and not “new for old”.

**You are strongly advised to have contents insurance and to be aware of the terms of insurance.**

### Copy Policies

If you or your solicitors require either a copy of the building policy or confirmation of cover, you must put your request in writing to Leasehold Services Officer, Housing Directorate, Civic Offices, High Street, Epping, Essex CM16 4BZ.

## 11. Compliments and Complaints Procedure

### Complaints

Because we provide hundreds of services to thousands of people, things can sometimes go wrong. If there is a problem, we need you to tell us so we can investigate and put things right.

We want you to complain if you think it is right to do so, and we have a complaints procedure to help you. Your first step should be to try and sort out the problem with the member of staff who has the day-to-day responsibility for the service concerned. If you remain dissatisfied or unhappy, please follow our complaints procedure. You will find it helpful to keep a note of what happened and when, and the names of the staff you have dealt with. Continue to keep notes when you start making your complaint.

The Council has produced a ‘Compliments and Complaints’ leaflet which is available at Council Information Desks (listed at the end of this handbook). If you want to make a complaint you should refer to that leaflet or use the ‘Compliments and Complaints’ link on the Council’s website [www.eppingforestdc.gov.uk](http://www.eppingforestdc.gov.uk). You can begin the formal complaints procedure by completing and returning the official form included with the leaflet.

You also have the right to appeal against a decision we have made about you, but you need to follow the full complaints procedure before you make an appeal. Appeals are conducted by five Council Members, at an appropriate date suitable to all concerned. You will need to complete a form which can be obtained, on request, in writing, from the Secretary to the Director of Housing, Civic Offices, High Street, Epping, Essex CM16 4BZ.

You have three months to complete the form from the date of the final decision being made. Once your form has been submitted you will be given the opportunity to attend the appeal, if you wish to do so. More information would be provided on the form itself

If you are still dissatisfied you may refer your complaint to the Local Government Ombudsman.

### Compliments

We would also like you to tell us when you are pleased at what we have done. Compliments highlight good practices which we could introduce to other service areas. The Council’s ‘Compliments and Complaints’ leaflet includes a form which can be completed if you wish to compliment us. The leaflet is available at Council Information Desks.

Alternatively, you may wish to write in directly to the person who assisted you.

## 12. Altering your home

Your Lease does not allow you to make any structural alterations to your home without written permission from the Council. You must not begin any structural changes until you have this permission. This requirement is in addition to any Planning consents that you may need to obtain, and further Building Regulation approval.

The reason for this is that you could endanger the actual structure and therefore cause severe damage to other

properties. The Council may set standards that your alterations have to meet.

Here are some examples of alterations, which need permission (if you are in doubt then please check before you make any changes):-

- New windows, where this includes the frames. Your Lease prohibits you putting in windows or frames. However, you may have particular reason to want to replace them and if so you must contact the Council, in writing, with full details of your proposals. The Council will then consider these proposals. Consent will only look favourably on a similar design. Your Lease should be amended so that it becomes your responsibility to repair and maintain the frames. This is called a Deed of Variation. We may be able to arrange for it to be done by our Legal Section but you will have to pay for the cost of this.



- New entrance doors. Under the terms of the Lease you may change the entrance door to the flat. Your Lease will need to be amended if you have to replace the frame. You will be responsible for the Council's cost related to this as well as your own legal costs. You will need to seek a deed of variation.
- Structural walls. If you are given permission to make any changes to walls a Deed of Variation may be required.

- Changes to the layout of your home.
- Alterations to electric, gas, water drainage.
- Erection of a conservatory.

If you proceed with the work, you should make sure the Company doing it has insurance cover for any injury or damage caused.

If you do not get permission when it is needed, you are in breach of your Lease. Breaches of the Lease can lead to you losing your home.

### 13. Letting your home

If you are going to let your home you should check the following:

- You must get permission from the Council.
- If you have a mortgage you must get permission from your Lender.
- You must inform the Council's Insurance Section or the insurance cover will be lost.
- You must tell your contents insurance company or cover will be lost.
- You must inform the Council of any different correspondence address for you, or that of your property management company.
- If you do rent your home to someone else it is your responsibility to make sure that your tenants comply with the Lease, for example they do not cause damage or nuisance. Failure to do so may result in action against you.
- You must also remember that even if you rent your home to someone else you are still legally responsible for the payment of all service charges, ground rent, buildings insurance and major work costs.
- You will have to get an annual Gas Safety Certificate and comply with all other terms of the Lease.

## 14. Selling your home

You may sell your home at any time. You may offer it to us to repurchase at the current market value, but we do not have to buy it.

If you want to sell within 10 years of your purchase you must offer to sell your Lease back to the Council or a Registered Social Landlord nominated by the Council (if your Lease was sold by us on or after 18 January 2005). The Council (or nominated Registered Social Landlord) has up to eight weeks during which they must decide whether to buy your Lease. If we decide not to do so, or do not give you a definite response within 8 weeks, you are free to sell the Lease on the open market.



If you received a discount when you bought your home from the Council under the Right to Buy, and you sell within 5 years (within 3 years if the application to purchase was before 18 January 2005), the discount, recalculated as a percentage of the purchase price is repayable as detailed in the chart:

If the Right To Buy application was on or after 18 January 2005, the full amount will be calculated as the percentage discount you actually received applied to the sale price.

### Example:

RTB full purchase price £190,000

Discount 20% = £38,000

Sale within one year at £200,000

Full discount repayable as  
20% of £200,000 = £40,000

Sale in second year at £205,000

4/5 of the discount is repayable:  
 $4/5 \times 20\% \times £205,000 = £32,800$

Sale in third year at £210,000

3/5 of the discount is repayable:  
 $3/5 \times 20\% \times £210,000 = £25,200$

Sale in fourth year at £215,000

2/5 of the discount is repayable:  
 $2/5 \times 20\% \times £215,000 = £17,200$

Sale in fifth year at £220,000

1/5 of the discount is repayable:  
 $1/5 \times 20\% \times £220,000 = £8,800$

Sale in the sixth or later years,  
no discount repayable

Transfer of the Lease between family members on inheritance, or due to a separation, is normally exempt from repayment of the discount. The amount recovered can also be reduced if special circumstances apply (such as being a victim of racial harassment).

When you are selling your home your solicitor will write to us to answer questions raised by the buyer's solicitor. The Council will charge a fee for answering those questions.

When you sell your property you will only pay an apportioned cost of your annual service charges. For example if you sell on

the 1st September (your completion date) you will only be liable to pay for the period 1st April to 31st August. You may also be liable to pay for major works carried out. However, we will not know the full costs for that year until after 31 March the following year. This means that the solicitor acting for you and the new Leaseholder may have to hold a retention against the purchase price for up to 18 months until the figures are known. This should be a relatively small sum, but could become substantial if it involves major repairs. Any amount is a matter for you, the new Leaseholder and your solicitor to agree. We cannot calculate a figure for you.

The new owner's Solicitors will notify us of the transfer of the property. However, it is in your interest to get confirmation that they have notified us. If they do not, you may still be liable for service charges even after you have sold the Lease.

In addition, where there is more than one Owner on the Lease and you wish to transfer the property into a sole Owner, you will still need to complete a Notice of Transfer. If a Leaseholder should pass away, where there are multiple owners the Council will require a copy of the Death Certificate in order to change the name on the account.

## 15. Extending your Lease

Your Lease is for a fixed period, normally of 125 years from either the date it was originally granted, or from the date of the first RTB sale in the Building. This 'commencement date' will be stated close to the start of your Lease. At the end of the Lease the person who owns it at that time will have to hand the property back to the Council (Landlord).

This means that eventually the Lease will have no value at all. The Leaseholder will not be evicted as they have the right to stay in the property as a 'statutory tenant,' paying a full weekly or monthly 'open market' rent.

Problems normally appear when someone tries to sell a lease that has less than 50 or so years left to run. This may be very difficult as the purchaser could find it hard to get a mortgage loan to finance their purchase.

You can apply to extend the period of your Lease, but the Landlord is entitled to charge for this, and the cost is likely to be at least as much, and possibly far more than was paid for the original Lease. It should however cost less than the value that will be added to the Lease. Your rights can be summarised as:

- To apply to the landlord for an extension of the Lease of 90 years (plus the present unexpired term) at a 'peppercorn' ground rent (effectively no ground rent).
- To do this you must have owned the Lease for at least two years. If the Leaseholder has died, those who inherit it have two years from the date of probate to exercise the right to an extension.
- You must serve a notice on the landlord offering an amount you are prepared to pay and the landlord must reply within two months. The landlord may either, accept your offer, accept your right to extend but propose a different price, or state why, in their opinion, you do not have the right to extend the Lease.
- A minimum period of two months is allowed for negotiation of the price. After that period, either you or the landlord can apply to the Leasehold Valuation Tribunal to determine the price payable and any other issues.

You are strongly advised to seek your own professional advice from a solicitor and/or surveyor about any application for extension of the Lease. Please note that it is normally advisable to do so before the Lease has less than 80 years left.

## 16. Buying the Freehold

You and other Leaseholders in the Building may want to join together to buy the freehold of the Building (and possibly the Estate) from the Council. You would still be a Leaseholder, but you would become your own landlord jointly with the other Leaseholder(s). This is called 'Enfranchisement.'

You have the right to enfranchise if:

- at least 2/3rds of the dwellings in a Building are occupied under long leases (originally for more than 21 years); and
- not more than 25% of the internal floor area may be non-residential use or intended for non-residential use (as a shop for example); and
- the number of Leaseholders participating is equal to at least half the total number of dwellings in the Building.

It is usually necessary to set up a company, owned by participating Leaseholders, who will become the freeholder. This can be complicated and expensive, so you should seek expert advice from a solicitor, surveyor, or similar who understands this process.

If the Council still has dwellings in the Building that have not been sold on long leases, you will have to grant the Council a 999 year lease on them. The freeholder (your company) will then be the Council's landlord for those dwellings and will be responsible for the management of the Building (and Estate). It will have to comply with the terms of the lease granted to the Council (similar to yours), all statutory requirements and accountability.

## 17. Good neighbours

The Council is aware that it is important to you to enjoy where you live. Getting on with your neighbours helps this.

We can all help by

- Not being noisy
- Not dropping litter or rubbish
- Keeping to parking restrictions
- Not allowing your overflow pipes, from your internal plumbing (for which you are responsible), to drip all of the time

We cannot list all the things that can affect one another but some are listed below.

We all need to think "Will what I am doing spoil things for my neighbours?"

You should also remember that you are responsible for the behaviour of other people who live with you, and visitors to your home.

### Not being noisy

You should be able to hear your television, radio or audio system in your own home. Your neighbours should not be able to hear it. Close windows when there is a noise coming from your home.

Children can play and enjoy themselves without screaming or shouting.

Make sure children you are responsible for are not making a nuisance of themselves to other residents. Encourage them to play in play areas; for example, do not let them bang a ball against a neighbour's wall.

You should try to use noisy equipment such as a vacuum cleaner or washing machine in the daytime before young children or the elderly go to bed.

Do not use a refuse chute, if you have one, after early evening.

If you are having home improvements done, try to have it done in the daytime. It is a good idea to tell your neighbours if equipment like electric drills are going to be used, and for how long.

### **Racial harassment**

If you are the victim of racial harassment you should let the Council know as soon as possible. Your needs can then be considered and action taken against residents found to be racially harassing others. If you have been racially harassed then it is also advisable to let the Police know.

If you are the victim of any form of harassment you should report this to the Police and the Council.

### **Keeping it clean**

Please make sure that you, your family or your visitors do not drop litter, or throw rubbish from windows and balconies. You should remember that part of your annual service charge relates to cleaning. The more cleaning the Council has to do the greater the cost.

Please make sure that any pets you have are not a nuisance. Please make sure that your dog does not foul lifts, paths, play areas or grassed and planted areas.



### **Keep to parking restrictions**

Please make sure you obey parking restrictions on your Estate.

Remember, an illegally parked vehicle could stop the fire, ambulance or police services from reaching an emergency.

## **18. Getting involved in decision making**

The Council wants you to play an active part in the decisions which affect where you live. You know better than anyone what you need.

You will know what you feel able to do, according to your personal circumstances. You may wish to be active on your own Estate, or you may have the time to become involved in a Council-wide body. Please try to find the time to do something. You may lack the confidence to attend meetings but we will support you, and there are other ways to get involved. Your input helps us to make sure your needs are met.

Below are some of the ways:

- We try to let you know what is happening
- You can get involved in decision making

### **What's happening?**

The Council will send you information through its regular publication, Housing News, to keep you up to date with matters of interest to you. We will also help the Leaseholders Association to keep you informed of their activities, and issues they are concerned about.

The Council may put articles in local papers or its District-wide publication, the Forester, to let you know of something that affects you.

We will write to you directly if necessary.

Watch out for notices on your Estate or Block for matters of interest to you.

### **Getting involved**

Some estates have tenants or residents associations that work to make their estates better places to live. You can raise issues with them, and work together rather than being a 'sole voice.'

Epping Forest Leaseholders Association is run by Leaseholders who pay service charges. If you wish to join them please phone our Tenant Participation Officer on 01992 564524.

The Council also has to consult with local residents associations (for a Building or Estate) before carrying out major works, and the associations may also be involved in drawing up proposals.



Epping Forest Leaseholders Association and local residents associations help:

- improve communication between the Council and leaseholders and freeholders
- improve communication between leaseholders and the Council
- you with leaseholder issues if you need it
- leaseholders in your neighbourhood to share knowledge and experiences and to help one another.

The Leaseholders Association and the Tenants and Leaseholders Federation were consulted on this handbook.

## 19. Our Service Standards

### We aim to ...

1. Provide you with a detailed breakdown of your estimated annual service charge at least 30 days before the beginning of the financial year.
2. Provide you with a detailed breakdown of your actual annual service charge within 6 months after the end of the financial year.
3. If you fall into arrears with your service charges, give you an appropriate amount of time to clear the arrear in accordance with the Council's Sundry Income and Dept Policy.
4. Consult you on proposed major repairs and improvements (over £250) and details of the proposed contractors to provide tender prices at least 30 days before seeking tenders.
5. Consult you on the estimated cost of major repairs and improvements before starting the work, and give you at least 30 days to provide any comments you may have, which we will take into account
6. Provide you, on request, with a copy of your current service charge account and other relevant information (perhaps if you wish to sell on the leasehold), for a fee, within 2 weeks of your request
7. Support a District-wide Leaseholders Association and ensure that it meets at least 4 times each year.

## Useful contacts

### Leaseholder Services

#### Home Ownership Team

Housing Directorate, Civic Offices, High Street, Epping, Essex CM16 4BZ  
Phone: 01992 564015 or  
email: [councillease@eppingforestdc.gov.uk](mailto:councillease@eppingforestdc.gov.uk)

### Repairs

The telephone number for reporting repairs in communal areas is 01992 564199 (normal working hours).

### Out of hours emergencies

Outside office hours, the main Council telephone number (01992 564000) becomes an emergency number.

### Housing Management Offices

- **Housing Management (South)** covering Loughton, Buckhurst Hill and Chigwell (but not Limes Farm)  
63 The Broadway, Loughton, Essex IG10 3SP  
Phone 01992 565186 or email: [housingsouth@eppingforestdc.gov.uk](mailto:housingsouth@eppingforestdc.gov.uk)

- **Limes Farm Estate**  
661a Copperfield, Chigwell IG7 5LA  
Phone: 020 8559 8883  
(9am – Noon only) or email: [limesfarm@eppingforestdc.gov.uk](mailto:limesfarm@eppingforestdc.gov.uk)

- **Housing Management (North)** covering any other part of the district  
Civic Offices, High Street, Epping, Essex CM16 4BZ  
Phone: 01992 564013 or 564014, email: [housingnorth@eppingforestdc.gov.uk](mailto:housingnorth@eppingforestdc.gov.uk)

**Careline** a 24-hour emergency alarm service which may help older or disabled people who do not want to give up the freedom and independence of their own home.  
Phone: 020 8532 1065 or email: [careline@eppingforestdc.gov.uk](mailto:careline@eppingforestdc.gov.uk)

### Council Information Desks

#### Loughton Library

Traps Hill, Loughton, Essex IG10 1HD  
Phone: (01992) 564808

#### Waltham Abbey Town Hall

Highbridge Street, Waltham Abbey, Essex EN9 1DE  
Phone: (01992) 718192

#### Ongar Library

High Street, Ongar, Essex CM5 9AB  
Phone: (01277) 366509

### Citizens Advice Bureau

(CABs are a part-time voluntary service. It is therefore advisable to check opening hours by telephone before visiting)

#### Loughton

St Mary's Parish Centre, High Road, Loughton, Essex IG10 1BB  
Phone: (020) 8502 0031

#### Epping

50a Hemnall Street, Epping, Essex CM16 4LS  
Phone: (01992) 574989

#### Waltham Abbey

Waltham Abbey Town Hall (Side Entrance), Highbridge Street, Waltham Abbey, Essex EN9 1DE  
Phone: (01992) 710353

### Residential Property Tribunals (Leasehold Valuation Tribunals)

Eastern Rent Assessment Panel, Great Eastern House, Tenison Road, Cambridge, CB1 2TR  
Phone: 0845 1002616

### Financial assistance

You may be able to get help if you are in financial difficulties due to a change in circumstances.

To make a claim for benefit (Income Support, Jobseeker's Allowance or Incapacity Benefit) contact your local Jobcentre Plus, or phone: 0800 055 6688  
[www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk)

For information on tax credits (Child Tax Credit and Working Tax Credit) you can phone the Tax Credits Helpline: 0845 300 3900  
[www.hmrc.gov.uk](http://www.hmrc.gov.uk)

For information on child benefits you can phone the Child Benefit Office on: 08453 021 444  
[www.hmrc.gov.uk](http://www.hmrc.gov.uk)

For advice on pensions and pension credit you can phone The Pension Service on: 0845 60 60 265  
[www.thepensionservice.gov.uk](http://www.thepensionservice.gov.uk)

You can find further advice on the Government's website: [www.direct.gov.uk](http://www.direct.gov.uk) or contact your local Citizens Advice Bureau

For a copy of this leaflet in  
large print or any other format  
please phone 01992 564292

Epping Forest District Council  
Housing Directorate, Civic Offices, High Street, Epping Essex CM16 4BZ  
phone: (01992) 564000 [www.eppingforestdc.gov.uk/housing](http://www.eppingforestdc.gov.uk/housing)

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CUSTOMER SERVICE EXCELLENCE



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