



# Major repairs and consultation

## Information for council leaseholders

We must keep to strict guidelines when consulting leaseholders about major work. These guidelines are set out in section 20 of the Landlord and Tenant Act 1985 (as amended).

Section 151 of the Commonhold and Leasehold Reform Act 2002 introduces amendments to the consultation process.

### **This leaflet tells you:**

- When the council is obliged by law to consult with leaseholders
- What consultation has already taken place – and the implications for you
- What the process of consultation entails

### **We must consult with you before we start any major repair, maintenance or improvement work if you would have to pay more than £250 towards the cost of these.**

- Examples of major work include replacing the roof, redecoration of communal areas or installing a controlled door-entry system. We can only charge you for major work in line with your lease agreement.
- If the works were to go ahead without the leaseholders receiving consultation letters, then each leaseholder would have the charge for that work capped at £250.

### **We must also consult you on certain long-term agreements, or contracts lasting more than 12 months, which we intend to enter into and which will cost you more than £100 a year.**

### **These are also referred to as qualifying long-term agreements (QLTAs).**

We carried out a full consultation (in accordance with legislation) with our leaseholders regarding the intention to enter into qualifying long-term agreements for the provision of responsive repairs and major works to our buildings.

The consultation and tendering process started in November 2012. The qualifying long-term agreement with Osborne Property Services (OPS) began in July 2014. The contract with OPS is to provide repairs, maintenance and planned works to the council's housing stock. These services include day-to-day repairs, cyclical maintenance and planned renewal programmed work.

The price of works was evaluated on the basis of a price framework, which provided lump sums for revenue and capital work. The Price Framework was further broken down to provide a unit cost for day-to-day-repairs (those taking up to one and a half hours to complete), a schedule of rates (the National Housing Federation schedule NHF version 5.1) and target costs for planned work and work to empty properties.

If we propose to undertake any work as part of a planned programme to your individual block, then leaseholders will be provided with the target costs before work starts. The final charge will be based on the actual costs of work. The contract mechanism incentivises the contractor (when deciding on sub-contractors) to keep costs below target, so that savings can be achieved.

## **Consultation for major work if there is a qualifying long-term agreement**

The work will be carried out by our contractor, but you can comment on the work we are planning or the likely cost of the works. We will send a notice of intention to each leaseholder and to the recognised residents' association (if there is one).

The notice will:

- Describe in general the work we are planning
- Explain why the work is necessary
- Give an estimate of how much the work will cost us as the landlord and your share as a leaseholder
- Give leaseholders a period of 30 days to make comments in writing about the work or the estimates and tell you where to send these.

Email: [servicecharges@dacorum.gov.uk](mailto:servicecharges@dacorum.gov.uk)

- We must consider any written comments we receive within the 30-day period and write back with a response within 21 days. (We will send individual replies, not a general notice to everyone who received the previous notice.)
- The work will have been identified by Dacorum Borough Council (the freeholder of the building) as being necessary to maintain the building.

- Changes may be made to the work or estimates as a result of your comments, but you are not able to refuse for the work to be carried out based on either your personal ability to pay or your willingness to pay. The terms of your lease require you to pay your share of the cost.
- We understand that most people may not be in a position to pay an invoice for major works in one instalment. If you would like to spread the cost of the work over an extended period, please contact Customer Accounts (once you have been invoiced) and they will be happy to agree an interest-free payment plan based on the amount of your invoice. Email: [customer.accounts@dacorum.gov.uk](mailto:customer.accounts@dacorum.gov.uk) or Tel: **01442 228315**
- You may wish to approach your mortgage lender and ask to add the cost to your mortgage

## What happens if you do not consult me?

We should only charge for work in line with the conditions of your lease. If we do not formally consult you (as described above) for work that results in a service charge of more than £250 per leaseholder, we can only charge you £250 for that piece of work.

Sometimes we may decide that work needs to be done, but that it is reasonable for leaseholders to only pay £250, or that the work cannot wait for the consultation process. If this applies, your bill will state that the cost has been 'capped' at £250.

## What if I am not satisfied with the standard of the work?

Any work carried out must be to a reasonable standard. If you are not happy with the standard of work, you should contact the leasehold officer while the work is being carried out or as soon as it has been completed. You should put your complaint in writing so you have a formal record of it.

**Please bear in mind that the cost of major works to the building is often reflected by an increased value of your property.**

For more information, please contact the Leasehold Services team by email: [servicecharges@dacorum.gov.uk](mailto:servicecharges@dacorum.gov.uk) or telephone **01442 228000** and ask for Leasehold Services. Direct line: **01442 228 799**.