Contents

1. Introduction..................................................................................................................3
2. Responsibility for Repairs (ours and yours) ............................................................4
3. Consulting with leaseholders – our approach...........................................................5
4. Consulting with leaseholders the legal requirements...............................................7
5. Help with paying for the works................................................................................9
6. Methods of payment................................................................................................12
7. When things go wrong ............................................................................................13
Appendix 1 Major works repayment options...............................................................14
1. Introduction


This guide sets out your rights and responsibilities as a leaseholder in relation to major works to your block or estate. It tells you how we arrange the works and how we consult with you and keep you informed about our projects.

What are major works?

By major works, we mean repair, replacement and improvement works which are estimated to cost at least £250 per leaseholder. By law we must consult you before we carry out these works. This is different from minor, routine repairs, which we do not have to consult on and for which any payment is included in your annual service charge.

We run a seven-yearly cyclical external repairs and redecoration programme.

Other ‘major works are one-off replacement and improvement projects such as:

- Door entry systems, roofs, windows, rainwater goods, environmental works and cyclical redecorations

Different contractual and consultation arrangements apply to these types of projects, as explained in Section 3.

Whatever the type of works or contract you, as a leaseholder, will be expected to contribute towards the cost in line with the provisions of your lease.
2. Responsibility for Repairs (ours and yours)

Your lease is your legally binding contract with your landlord (the council). It sets out the repairing responsibilities and obligations of both parties, as described below. This guide does not replace or affect your lease, and is not meant to be a definitive interpretation of your lease, so you should not rely on it in any disputes that may arise about your lease or your position as a leaseholder. In those situations, you should get independent advice.

Your lease defines the boundary of your estate (if you live on one) and the block/property you live in. These boundaries are important as we can only charge you for works carried out within them.

The landlord’s repairing obligations

As your landlord, the council has an obligation to maintain the building that your home is located in.

The council is responsible for the repair and maintenance of the structure, exterior and common parts of the building and estate (if your home is part of an estate). We are responsible for carrying out the repairs and collecting the leaseholders’ share of these costs. As a leaseholder, your lease includes an agreement to pay the landlord a contribution towards the cost of these works.

Examples include:

- Washers/mains water stop valves to the block
- Burst or leaking pipes (up to the main stop valve in your property)
- Repair, maintenance or renewal of any communal water tank
- Clearing blockages and repairing leaks to the main soil stack (main drains)
- Clearing and repairing leaks to rain water pipes and gutters
- Flooring, like joists / wall plates, damp-proof membrane or concrete floor slab
- Exterior parts of the structure, like roof, walls, windows, foundations
- Communal staircases
- Window frames & casements
- Glazing of communal windows
- Communal electrics, such as rewiring, repair/renewal fittings, door entry systems
- Communal heating systems (district heating)
- Communal decoration
- Communal ventilation and fire safety equipment
- Communal footpaths, walkways, fencing and gates within the block boundary.
- Lifts
- Dry risers and water boosters
- Communal aerials
- CCTV equipment.
As a leaseholder, you are responsible for maintaining and repairing the inside of your home.

**Your responsibilities include:**

- Internal washers / mains water stop valve (to your fixtures/appliances)
- Burst or leaking pipes beyond the stop valve to the inside of your property
- Repair or renewal to an individual water tank
- Repair or renewal of baths, sinks, taps, basins or WCs
- Leaks from waste pipes, traps and fittings, including branches up to the soil stack
- Flooring, like floorboards and tiles (but not the joists)
- Staircases inside the property
- Decoration of the interior only of window frames and sills
- Window fastenings and glazing (but not window frames attached to the structure)
- Entrance doors, including main door, balcony/garden doors, frames, fittings and locks
- Repairs to fitted cupboards
- Forced entry to property, doors and frames
- Electrics inside the property, including fuses, fuse board, fittings, bells and rewiring
- Individual heating systems inside your flat (not district heating)
- Decoration of your flat (internal)
- Internal ventilation equipment, like extractor fans
- Ceilings (but not joists or beams)
- Interior non-structural walls, including plasterwork
- Fencing of individual gardens, including gates as defined within the lease plan.

There are covenants in your lease that refer to the standard you must maintain your home to.

Your lease states that you must allow the landlord access to your home to enable us to carry out inspections and to complete any necessary repairs. We must provide you with reasonable notice, unless there is an emergency.

### 3. Consulting with leaseholders – our approach

The London Borough of Hounslow recognises the financial impact that major works can have on our leaseholders and we have developed consultation arrangements, for large external works and refurbishment projects which go above the basic legal requirements, as described above. We want to give leaseholders plenty of notice of future major works and, therefore publish our 5-year capital programme for major works and improvements and 7-year programme for cyclical redecorations. The programme and further information can be found at [www.hounslow.gov.uk](http://www.hounslow.gov.uk)

Whilst we appreciate the programme must be flexible to incorporate unforeseen urgent works, the aim is to give as much notice as possible.

Each year, we will write to all those affected by the following year’s programme. This will provide information about the way we carry out the work and communicate with residents throughout the period of the contract.
Engagement Meetings

We will write to leaseholders describing the works we plan to undertake, letting you know how much they are likely to cost. This is before we start the formal consultation process. We want to give you notice of the scope of the planned works and an idea of what your share of the cost is likely to be, so you can comment on the proposals and plan how you might arrange to pay.

We will invite all residents to an engagement meeting, at which we outline our initial proposals and seek residents’ views. In relation to our estate improvement works sometimes we may send out a questionnaire to understand residents’ priorities for the estate to take into consideration.

Any suggested changes to a programme will be considered and the programme may be altered if appropriate.

Formal consultation process

The next stage is the start of the formal consultation process, when we send leaseholders a Section 20 Notice (as amended S151).

If you write to us with any comments during the consultation period, we will respond to you individually within the required 21-day period.

Depending on the type of works, we may hold a pre-commencement meeting for all residents. This provides an opportunity to talk to the contractor and Project Manager and to ask any questions you may have about the works themselves or about what will happen while they are taking place.

Managing the contract on site and ensuring quality

The London Borough of Hounslow is determined to achieve a good quality of workmanship and high levels of resident satisfaction and we have put arrangements in place which will help ensure that we achieve this.

Getting things right on site

The Project Manager will monitor the progress of the works. If you have any concerns during the works please contact Leasehold Services on 020 8583 3787. We will liaise with the Project Manager on any queries and issues relating to the works.

Relationship with our contractors

The advantage of a long-term agreement is that we will be working with a contractor over a long period. By collecting data about the outcomes of each project, we are able to continually monitor the quality of our contractor’s work. We are also able to ensure that the methods employed by the contractor to deliver the work achieve continuing high levels of resident satisfaction.
Dispute Resolution

For some programmes of work you will be invited to attend a meeting once the works have been completed. This will give you a chance to raise any points and for queries to be addressed. This will happen before the works are signed off to ensure that residents are satisfied with the works.

We know it will not always be possible to resolve differences by goodwill alone. Leasehold Services will investigate with the relevant departments, and issue a response. We will respond to queries and disputes within 4 weeks.

Resident satisfaction

At the end of each contract we will also carry out resident satisfaction surveys. This is your chance as a resident to tell us how you feel about the work that has been done. We look carefully at the results of these surveys to ensure that we continue to increase the levels of customer satisfaction recorded.

4. Consulting with leaseholders – the legal requirements

Councils are legally required to consult with leaseholders before carrying out major works. This is often called “Section 20” consultation because it was introduced by Section 20 of the Landlord and Tenant Act 1985 (as amended by S151 Commonhold and Leasehold Reform Act 2002).

The consultation arrangements set out in the Act are detailed and involve different arrangements, depending on the type of contract and will affect which consultation we undertake with you.

Statutory leasehold consultation under tendered contracts

Smaller projects (security schemes, lift renewal, environmental works, etc.) and a few main contracts are tendered in the traditional manner. In these circumstances, consultation with leaseholders is carried out in two (sometimes three) stages.

STAGE 1: this is at pre-tender stage. We will send a Notice of Intention. This notice:

- Gives a general description of the proposed works
- Gives the reasons for carrying out the proposed works
- Gives leaseholders a period of 30 days to send written observations on the proposals
- Gives leaseholders the opportunity to nominate a contractor they would like us to ask for an estimate, provided the contract sum is below the financial threshold (currently £4.1 million) which requires it to be tendered Europe-wide.

We will consider and respond to all the comments received at this stage.
STAGE 2: this is the tender stage. We send leaseholders a notice, which:

- Gives the name and address of the proposed contractor
- Gives details of any connection between the landlord and the contractor
- Includes an estimate of your contribution to the proposed works
- Includes a summary of any observations received at Stage 1, together with the landlord’s response
- Gives leaseholders a period of 30 days to send written observations on the proposals.

Again, we will consider and respond to all comments received.

STAGE 3: if the contract is awarded to a contractor who did not give the lowest price and was not the one nominated by leaseholders, we are required to write to leaseholders explaining our choice of contractor.

Statutory leasehold consultation for a Qualifying long term agreement (QLTA)

In recent years, local authorities have been encouraged to enter long term agreements known as QLTAs with the construction industry in place of the traditional, individually tendered, contracts. These involve longer-term contracts and the selection of contractors based on quality as well as price.

The reason for moving away from the traditional contracting arrangements is that they usually involved accepting the lowest tender, with little regard to quality. There was little scope for developing long term relationships with, or commitment from, the contractor.

Thus, quality was often variable, much time was spent dealing with disputes and resident satisfaction was often low.

We are required to consult with leaseholders before entering a QLTA. Consultation is carried out in two (sometimes three) stages.

STAGE 1: this is at pre-tender stage. We will send a Notice of Intention. This notice:

- Gives a general description of the proposed works that will be carried out under the agreement.
- Gives the reasons for entering into the agreement.
- Gives leaseholders a period of 30 days to send written observations on the proposals
- Gives leaseholders the opportunity to nominate a contractor they would like us to ask for an estimate, provided the contract sum is below the financial threshold (currently £4.1 million) which requires it to be tendered Europe-wide.

We will consider and respond to all the comments received at this stage.
STAGE 2: this is the tender stage. We send leaseholders a notice, which:

- The name and address of every party to the proposed agreement and details of any connection between the landlord and the contractor
- Includes an estimate of your contribution
- The intended duration of the agreement
- Includes a summary of any observations received at Stage 1, together with the landlord’s response
- Gives leaseholders a period of 30 days to send written observations on the proposals.

Again, we will consider and respond to all comments received.

STAGE 3: if the contract is awarded to a contractor who did not give the lowest price and was not the one nominated by leaseholders, we are required to write to leaseholders explaining our choice of contractor.

Statutory consultation for works carried out under a Qualifying Long Term Agreement (QLTA)

In relation to an individual project, where we want to carry out works under the QLTA a single stage of consultation only is required. This involves sending out a Section 20 Notice, which:

- Describes the works
- Gives an estimate of how much they will cost the landlord
- Indicates the contribution likely to be required from each leaseholder.

Leaseholders have the right to make written observations on the proposed major works, which must be received within 30 days of the date of the Section 20 notice. The landlord must take into consideration any comments received and write back with a response within 21 days.

5. Help with paying for the works

How we calculate your major works contributions

We calculate your contribution based on the contractor’s priced specification for the works. We separate the cost of the works to the estate (if you live on one) and the block/property in which you live, based on the definitions of your lease and then charge you the proportion of each that is specified.

In April, each year, the estimated sum will be debited to your account but not formally demanded. We will provide an estimated figure in the Section 20 Consultation Notice.

The actual cost of the works will be debited to your account in the following September once the accounts have been finalised.

Once we have issued the final account no repayment agreements will be offered. It is therefore important that you contact us as soon as you receive an offer for you to enter a payment agreement with us.
Help with meeting the cost of major works

The lease agreement that you have with the Council requires that service charges, including those for major works, be paid in advance in monthly instalments. However, we recognise that this could cause financial difficulties for some leaseholders. We are unable to waive any charges except in a few specific schemes where the Government has decided to ‘cap’ leaseholder charges, but we have developed several repayment agreement options to help leaseholders pay their share of the cost. Full details regarding payment plans, qualifying criteria, and further conditions are available on the Appendix 1 document attached.

Agreed maximum recharge

Your final bill in September will be based on the prices provided by the contractor and, to give you some financial certainty, your final charge will not be any more than 20 per cent above the figure given to you at the estimate stage; this is usually when we issue your Section 20 consultation final letter.

The only exception would be if a new project (e.g. door entry scheme) were added to the contract or if additional works, not identified in the scope of works, were found to be necessary. In these circumstances, we would undertake a new Section 20 consultation process before starting the new works.

If the final charge is lower than the estimate, and you have paid in full, we will credit your account with the amount you have overpaid on your estimated bill.

Prompt payment discount

If you pay your major works invoice within six weeks of receiving the estimate in April, you will be entitled to a five per cent discount. This means that you only must pay 95 per cent of the estimate up front. Your April estimate will tell you what this figure is. When the final account has been agreed, the five per cent discount will be adjusted to reflect this.

Payment Plans

The following provides a description of the schemes currently available however, because these schemes and the interest rates charged may change, the latest information will always be available at www.hounslow.gov.uk

Paying over three years

You can pay in 36 monthly instalments, without incurring any interest charges, provided you enter a repayment arrangement within twelve weeks of any offer and you keep up your payments in accordance with that agreement.

If you sell your property before the end of the repayment period, you must clear the balance outstanding.
**Extended repayment terms**

You also have the option of paying by regular, monthly, instalments, between three and ten years, depending on the size of your bill.

You will need to enter a repayment arrangement within twelve weeks of receiving any offer and keep up your payments in accordance with that agreement.

Years one to three will be interest free. Interest will be charged for years four onwards. Your payments must be maintained otherwise the agreement will be invalidated and payment will be due in full.

This ‘deferred payment’ arrangement will be secured by a charge on the property. If you sell your property before the end of the repayment period, you must clear the balance outstanding. Once the full amount has been paid the charge will be removed.

During the interest free period you can make overpayments on your monthly instalments. This will reduce the amount that you pay interest on.

**Placing a charge on your property**

In some exceptional circumstances a legal charge can be placed on the property for the cost of the works. You have two options. You can defer all payments, of capital and interest, until the property is sold. The interest would be ‘rolled up’ and be deducted from the sale proceeds. Alternatively, you could pay the interest each month, which would mean that when the property is sold the charge will still be for the original amount, and again will be deducted from the sale proceeds. In both cases the interest will be in addition to the Bank of England base rate.

**Bank or building society loans**

You can approach a bank or building society for a loan/ mortgage or ask your current lender to increase your mortgage. You may well find that these lenders can be more flexible or offer more favourable terms than we can by securing the loan against your home.

**Statutory right to a loan**

If your property was sold by the council under the right to buy within the past ten years, you may have a statutory right to a loan, provided you apply within six weeks of receiving your estimated invoice. These loans must be secured by a charge on the property. The period of the loan is fixed, depending on the amount borrowed. The interest rate is also set out in the rules and is likely to be higher than any rate you could obtain from a bank or building society.

**Income support**

If you are in receipt of income support, job seeker’s allowance or pension credit, you may be able to obtain a mortgage/ remortgage/ loan and have the interest met by income support. The Department of Work and Pensions will advise on your eligibility.
Independent advice service

For your own protection, we would urge you to seek independent financial advice before entering any financial agreement. Advice can be given by one of these organisations:

- Leasehold Advisory Service
  020 7383 9800 Lines are open Monday to Friday from 9am to 5pm
- Citizens Advice Bureau 08444 111 444
- National Debt Line
  0808 808 4000 Lines are open Monday to Friday 9am to 9pm; and Saturday 9.30am to 1pm.
- If you are over 50 the Advocacy Service at Age Concern may be able to help, you can reach them on 01753 822890.

These organisations will be able to advise on mortgage products which are available in the market. They can also look at your whole financial situation, including any debts. They can then help you to identify priority debts and to maximise any benefits you may be entitled to help you pay your major works or other service charges.

6. Methods of payment

The following methods of payment are available:

Direct Debit/Standing order:

These are our preferred and suggested payment methods because there is an automatic payment each month. It is efficient, cost effective; it avoids unnecessary paperwork.

A direct debit form can be requested from the Accounts Receivable team either by telephone 020 3949 7732 or by email leaseholdincome@hounslow.gov.uk and be returned to them signed and completed.

A standing order can be organised directly with your bank or you can request a standing order from the Accounts Receivable Team to complete and take to your bank.

A standing order is an arrangement between you and your bank. You should contact them to stop any payments that would result in overpayment or to change the amount your pay

Online payments:

If you have a debit or credit card pay your invoice through our online payments system at: www.hounslow.gov.uk/pay

When you pay, please have the following details ready:

- Your 14-digit account number;
- Your payment details and;
- Your debit or credit card details

Please note: there will be a 0.76 per cent charge made for using your credit card.
**Telephone:**

You can pay by debit or credit card 24 hours a day through our automated telephone payments system on 08453 010210. You will need to have your 14-digit account number and card details with you.

Or if you would like to speak to a member of staff, please call the Accounts Receivable Team on 020 3949 7732.

Please note: there will be a 0.76 per cent charge made for using your credit card.

**Bank Transfer:**

Our details are:

Account name: London Borough of Hounslow  
Account number: 20364814  
Address: NatWest Bank PLC, 275-277 High Street, Hounslow TW3 1ZA  
Sort code: 60-11-18  
Please use your 14-digit account number as the reference so the payment can be matched to the correct account

**Post:**

Please send cheques, payable to London Borough of Hounslow to:

Cash Office  
Civic Centre  
Lampton Road  
Hounslow TW3 4DN  
Please remember to write your account number of the reverse of the cheque.

**Bank Giro Credit:**

Cash or cheque payments can be made at any bank using a Bank Giro credit slip. Please note it can take seven to ten days for payments by this method to be credited to your account.

**7. When things go wrong**

We always try to provide excellent services. However, sometimes things go wrong and, when they do, we want to know so we can put them right and learn from our mistakes.

If you have an issue with the quality of the works you should contact Leasehold Services in the first instance on 020 8583 3787 or by email at leaseholdservices@hounslow.gov.uk

We will investigate and issue a response within four weeks.
If you are not happy with something the council has done, it is your right to make a complaint. If you want to make a complaint, you can either:

- Complete an online form on our website www.hounslow.gov.uk
- Write to us at: Customer Relations Team, Civic Centre, Lampton Road, Hounslow TW3 4DN
- Telephone us on: 020 8583 3737
- Email us at: complaints.team@hounslow.gov.uk

We will make sure it gets to the right person and we promise to deal with your complaint promptly, courteously and fairly.

The First-Tier Tribunal (Property Chambers)

If you have a complaint about the valuation of works and you are not satisfied with the council’s response, you may want to have your case heard by the First-Tier Tribunal (FTT Property Chambers). There is an application fee and the cost of this can be awarded, but this is not automatic so you will need to request this at your Hearing.

The FTT acts as an independent arbitrator to decide whether service charges, including major works, are reasonable. Leaseholders in a building can also join and bring a joint case to the FTT.

The FTT does not have the power to award costs other than the application fee costs, so if you directly employ professionals such as surveyors, solicitors and barristers, you must cover the cost of these yourself. FTT proceedings are less formal than a court. A panel of three people, usually a lawyer, someone with surveying knowledge and a lay person, hear the case. Sometimes the panel will visit the property to do a site inspection. A hearing usually lasts one or two days. Sometimes they can consider a case just by written representations from all the parties, rather than by a hearing in person.

Following the hearing, the FTT will send out its written decision to the London Borough of Hounslow and the leaseholders. The FTT may increase or decrease the amount the leaseholder must pay or may agree with the council’s valuation of the works.

Appendix 1 Major works repayment options

<table>
<thead>
<tr>
<th>Option</th>
<th>Eligibility criteria</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Prompt payment</td>
<td>Available for 6 weeks after the estimate costs are issued in the final section 20 notice.</td>
<td>If you pay your major works estimated bill within six weeks of receiving the estimate costs (from your final section 20 notice letter), you will be entitled to a 5% discount off the estimated cost only.</td>
</tr>
<tr>
<td>2 Within one year</td>
<td>Your lease allows you to pay in 12 equal monthly instalments from April to March only interest free.</td>
<td></td>
</tr>
</tbody>
</table>

Scheme of financial assistance for leaseholders with major works bills

Summary of terms and conditions

These repayment options are only available to leaseholders that live in their leasehold property. If the property is rented you will not be eligible for financial assistance outside the terms of your lease.
<table>
<thead>
<tr>
<th>Option</th>
<th>Eligibility criteria</th>
<th>Conditions</th>
</tr>
</thead>
</table>
| 3 Up to 3 years | Costs must be between £1000 and £5000. The amount of repayment time-frame is determined by the amount of the loan required. | 1. No interest will be charged for first 3 years  
2. Payments are to be made in equal monthly instalments  
3. Minimum monthly payment must be £150 per month.  
4. Completed applications must be received by Leasehold Services within twelve weeks of receipt of estimate costs (from your final section 20 notice)  
5. Failing to make payments as per the agreement letter will result the agreement being withdrawn and the remaining balance will be due in full.  
6. A completed repayment agreement application will need to be submitted. Agreement letters will need to be signed and returned before the payment plan can be initiated. |
| 4 Three years to Six years | Charge must be over £5000. | 1. No interest will be charged for first 3 years  
2. Payments are to be made in equal monthly instalments  
3. Minimum monthly payment must be £150 per month.  
4. Completed applications must be received by Leasehold Services within twelve weeks of receipt of estimate costs (from your final section 20 notice)  
5. Failing to make payments as per the agreement letter will result the agreement being withdrawn and the remaining balance will be due in full.  
6. A completed repayment agreement application will need to be submitted. Agreement letters will need to be signed and returned before the payment plan can be initiated.  
7. A legal charge will be placed on the property for the major works bill, for which an administration fee of £250 will be payable in advance. This charge will be removed when the bill has been paid in full.  
8. Interest on the remainder of the charge will be the Bank of England base rate plus 1%. |
| 5 Six years to Eight years | Charge must be over £15,000. | 1. No interest will be charged for first 3 years  
2. Payments are to be made in equal monthly instalments  
3. Minimum monthly payment must be £150 per month.  
4. Completed applications must be received by Leasehold Services within twelve weeks of receipt of estimate costs (from your final section 20 notice)  
5. Failing to make payments as per the agreement letter will result the agreement being withdrawn and the remaining balance will be due in full.  
6. A completed repayment agreement application will need to be submitted. Agreement letters will need to be signed and returned before the payment plan can be initiated.  
7. A legal charge will be placed on the property for the major works bill, for which an administration fee of £250 will be payable in advance. This charge will be removed when the bill has been paid in full.  
8. Interest on the remainder of the charge will be the Bank of England base rate plus 1%. |
| 6 Eight to ten years | Charge must be over £20,000. | 1. No interest will be charged for first 3 years  
2. Payments are to be made in equal monthly instalments  
3. Minimum monthly payment must be £150 per month.  
4. Completed applications must be received by Leasehold Services within twelve weeks of receipt of estimate costs (from your final section 20 notice)  
5. Failing to make payments as per the agreement letter will result the agreement being withdrawn and the remaining balance will be due in full.  
6. A completed repayment agreement application will need to be submitted. Agreement letters will need to be signed and returned before the payment plan can be initiated.  
7. A legal charge will be placed on the property for the major works bill, for which an administration fee of £250 will be payable in advance. This charge will be removed when the bill has been paid in full.  
8. Interest on the remainder of the charge will be the Bank of England base rate plus 1%. |
| 7 Voluntary Legal Charge Option (securing the cost against your property) | Only offered to vulnerable people with financial difficulties where all other financial means have been explored. | A legal charge will be placed on the property for the major works bill, for which an administration fee of £250 will be payable in advance. This charge will be removed when the bill has been paid in full.  
The interest rate will be 2.5% or the bank of England base rate plus 1% whichever is the greater.  
There are two options for payment of interest:  
A. No repayments until property is sold (interest will be ‘rolled up’ and recovered with the amount of charge is paid back when the property is sold)  
B. The interest is paid on a monthly basis until the property is sold, but the amount of the charge remains the same and is paid back when the property is sold. |