

**LEASEHOLDERS AND FREEHOLDERS CONFERENCE JANUARY 2008
FREQUENTLY ASKED QUESTIONS**

Q: Why do other leaseholders in a block have to pay for a contractor visit to a flat in response to a phone call or repair report only affecting an individual?

A: Leaseholders are not required to pay for responsive repairs to individual dwellings. It is only where HH contractors are required to carry out works to the external and communal parts of buildings/blocks/estates that leaseholders are required to pay a share of costs.

Q: Do the Skylight windows on Millfields Estate come under Major works? If so, when are they going to be replaced?

A: There is no programme of major works to undertake works to the skylights windows on Millfields Estate because the external of the property is wind and weathertight and is therefore classified as "externally decent" under the governments Decent Homes criteria.

Q: I would like to know when new windows are being planned for Fairbank Estate?

A: Fairbank Estate is externally wind and weather tight under the Decent Homes Government criteria there are no plans to put in new windows as the current windows comply with the Decent Homes Standard.

Q: Why are the Service Charge estimates always so wildly wrong?

A: It is not always the case that the variance between service charge estimates and actuals are always wildly wrong. However, it is accepted that for the last two years the variance has been greater, for some service charge accounts, than we would have wished. These variances can be caused by a number of reasons. Some examples of these are:

- Unplanned additional spending, above the original budget that the estimate was based on, may take place during the financial year so was not included in the estimates
- Reactive repairs and maintenance work, that cannot be planned for may increase during the year.
- General cost of living increase can have an impact, e.g. the recent increase in oil prices lead to increase in electricity charges. This meant that the recharges to leaseholders for landlord electricity were much higher than the estimates
- New budgets created during the year, e.g. Eyesore budget was introduced after the estimates for 2005/06 were issued.

We strive very hard to ensure that the variance between estimates and actuals is as small as possible but it must be remembered that the estimates are just that, an estimate.

Q: Why is better training not offered to staff in Neighbourhood office?

A: Training is available to staff at the Neighbourhood Offices. We are aware that leasehold management can be complicated and we are reviewing our training arrangements and will look at providing additional training days.

Q: I am not aware of what faults I am allowed as a leaseholder to report to the Call Centre.

A: The Leaseholders Handbook gives a guide to the type of repairs a Leaseholder can report. However, a definitive list, although not exhaustive will be put together, which will be communicated to the Leaseholders and the Contact Centre.

Q: What is NIB?

A: Neighbourhood Investment Board

Q: Why don't we hear the outcome of a S20 and what will it mean to Leaseholders?

A: The Landlord & Tenant Act 1985 (as amended by the Commonhold and Leasehold Reform Act 2002) sets out the way in which we are required to consult with you before entering into qualifying long term agreements under which we propose to carry out works or provide services. This legislation also requires the landlord to consult with you before carrying out major works to your building or estate.

Section 20 Notices advise you of what we propose to do and give you time to comment on proposals. If the proposals concern works to your building you will be receive confirmation that the works are proceeding.

Q: Do the S20s have any relationship to Service Charges?

A: Section 20s have a relationship to service charges where the landlord proposes to enter into a qualifying long term agreement under which services are to be provided. (Also see explanation given in answer to part 1 of the question)

Q: Decent Homes or S20 notices. How can you help with payment terms, can interest be reduced?

A: Although S20 Notices are not invoices where Notices advise that we are planning to carry out major works and provide and estimate of your share of the cost of works you will be issued with an invoice when works are underway.

With regard to paying for major works we recognise that leaseholders may face financial or other difficulties in meeting their share of the cost of major works and aim to be as flexible as possible in agreeing a payment arrangement that reflects individual circumstances. The range of payment options available include:

- repayment over 12 months, interest free
- repayment over 24 months, with interest
- repayment over 36 months, with interest on invoices of £10,000 and above
- a Council mortgage
- The Older Persons option which allows leaseholders over 60 years of age to place a charge on their property. This means that they will not have to worry about repayment until the property is disposed of.

Where leaseholders opt to pay by instalments over a period of two to three years interest is payable at a rate of 6%. Whilst leaseholders may chose to pay their share of the cost of major works over a shorter period (up to 12 months) without interest applying please note that it is not possible for the rate of interest to be reduced on amounts paid over more than 12 months.

Please contact the Recovery Team on 020 8356 2299 if you wish to obtain more information about the payment options.

Q: The handle on one of my newly installed windows has broken who should I be reporting this too?

A: This should be to the Contractors who installed the windows. A contact number was provided to all the Leaseholders, but the staff in Hackney Homes Contact Centre will be able to advise a Leaseholder.

Q: I have been informed that you are intending to change the period of painting and repair programme to blocks from a 5 to 4 year cycle. Will this not increase my service charges?

A: The proposed strategy is to undertake external repairs and decorations to blocks every 8 years (this will include common areas) and every 4 years undertake repairs and decorations to common areas (areas that require no or minimal access equipment) This will depend on budget allocation.

Q: Leaseholders generally cannot attend resident consultation meetings during the day (out at work).

A: Hackney Homes recognises that many residents are unable to attend consultation meetings held during the working day and usually arranges for meetings to be held in the evening. In addition, if you receive a S20 Notice and require additional information please contact the member of staff named in the Notice and assistance will be provided.

Q: Why are Hackney Council charging 8.9% interest rate on annual charges for major works pay backs?

A: Hackney Council does not apply 8.9% interest to major works charges. The rate currently charged where leaseholders opt to pay major works charges by instalments over a period of 13 to 36 months is 6%. Leaseholders may pay by instalments over a period of up to 12 months interest free. For full details of the range of payment options available please contact the Recovery Team on 020 8356 2299.

Q: Why is the repayment period so short on Major Works?

A: We consider the range of payment options available to leaseholders with major works charges to be reasonable. Whilst the lease provides the option for leaseholders to pay service/major works charges in equal payments within the financial year (equates to up to 12 months), Hackney Homes offers leaseholders with invoices of £10,000 and above the option to pay by instalments over a period of up to 36 months with interest. A full range of payment options is available by contacting the Recovery Team on 0208 356 2299.

Q: Why do we have to pay 10% admin charges on top of works cost and professional fees?

A: With regard to the administration charge, Hackney Homes Major Works Section currently charges an administration fee of 10% of the cost of works for carrying out the following functions: -

- Obtaining /inspecting/interpreting each individual lease and offer notice (as appropriate)
- Calculating, estimating and actual recharges
- Costs connected with the collection of the recharges due
- Staff and training costs
- IT costs and support
- Legal fees
- Overheads such as rents, water rates, telephone costs, fuel bills, council tax
- Responding to queries from leaseholders, their representatives and other council departments.

Records substantiate that the amount charged is reasonable for the range of services provided. However, the fee is currently being reviewed to ensure that it is in line with best practice.

Q: I want to make changes to the internal layout of my property. Who do I need to approach for permission/approval?

A: Please contact your local Neighbourhood Office if you wish to apply for permission to carry out alterations to the layout to your property.

Q: What support exists for leaseholders who cannot afford to pay the additional charges?

A: Leasehold & Right to Buy Services recognise that leaseholders may face financial or other difficulties in meeting their share of the cost of major works and aim to be as flexible as possible in agreeing a payment arrangement that reflects individual circumstances.

Specialist debt advice is available for leaseholders experiencing difficulty paying.

Leaseholders invoiced for major works should contact the Major Works Recovery Team on 020 8356 2299 to make suitable arrangements.

In addition to the above leaseholders who have lived in their present home for more than three years and are on a low income or are claiming a means-tested benefit such as Income Support or Council Tax Benefit may be able to get some help with the cost of this work by applying for a grant. Applications for grant aid must be made before work begins. For more details, please contact Liz Watson at Private Sector Housing on 020 8356 4556.

Q: Why is it that funds for repairs/refurbishment are not taken from the monthly service charges – surely this would be more manageable.

A: Hackney Homes does not currently operate a reserve (sinking) fund to which leaseholders would be required to pay annual sums towards the estimated costs of future major works. However, you may recently have received the December issue of the Leaseholders and Freeholders News in which the views of leaseholders were sought via questionnaire asking whether you wish us to operate a reserve fund on your behalf. The results of the survey are now been assessed.

Q: What are we doing to deal with dog nuisance?

A: I have been informed that the LBH Enforcement Team are taking action on behalf of HH, against residents that allow their dogs to foul HH estates.

If there is enough evidence i.e. photos or a written statement from someone prepared to come forward. They need to provide dates and times plus locations etc. If you need further details please contact Eucharia Mbonu on 020 8356 4501.

Q: CCTV systems are often out of order – what are we doing to get more from all the money invested?

A: CCTV systems are checked on a weekly basis and repairs to camera failures are rectified within 2- 5 days according to the nature of the repair.

Property Services have a 5 year capital improvement plan for replacement and upgrading of CCTV system including the introduction of new technology.

From 1st April 2008 the corporate CCTV centre will have access to 98% of estate CCTV systems remotely for monitoring purposes. Property Services will also have access to these systems for maintenance monitoring purposes. Access to these systems has been made possible through the introduction of a Wifi Wireless networking system for Hackney Homes the introduction of the WiFi system will allow the use of re-locatable cameras to be installed to tackle problems such as fly tipping.

Q: Why are we paying insurance every month?

A: Under the terms of your lease the freeholder, Hackney Council is required to insure your building. Leaseholders are charged for this and other services via their annual service charge which some leaseholders pay by monthly instalments.

Q. Why don't we recharge people (or their parents) for committing vandalism?

A. Vandalism is a social problem that all Local Authorities and ALMO's are trying to deal with. We do recharge, and even prosecute, people for acts of vandalism and graffiti but one of the main problems that all landlords experience is that we have to catch people committing these acts of vandalism and also to have the evidence to allow us to prosecute. Unfortunately, many acts of vandalism are committed late at night and gathering evidence is very difficult.

Hackney Homes and Hackney Council are working with many external Agencies and groups to try and reduce vandalism on our estates and in some areas this has been very successful and we have seen vandalism and crime reduce. For example, the Kicks programme, which involves the Football Association and many London football clubs, has given children on our estates the opportunity to be involved in activities that will deter vandalism.