

GREATER LONDON AUTHORITY

Gerlinde Gniewosz

(by email)

Our Ref: MGLA180417-9281

10 May 2017

Dear Gerlinde

Thank you for your request for information which the GLA received on Thursday 13 April 2017. Your request has been dealt with under the Freedom of Information Act 2000.

You asked for:

In the following document that you kindly provided:

<https://www.whatdotheyknow.com/request/393849/response/960243/attach/3/MGLA%20070317%204977%20Backlog%20funding.pdf>

it is written that there were statements 1-6 to be submitted as part of the application in the accompanying template. Please provide a copy of those statements received from Lambeth council.

Please find the relevant information attached. Please note that this information was submitted by Lambeth Council to the Greater London Authority in September 2014.

If you have any further questions relating to this matter, please contact me, quoting the reference at the top of this email.

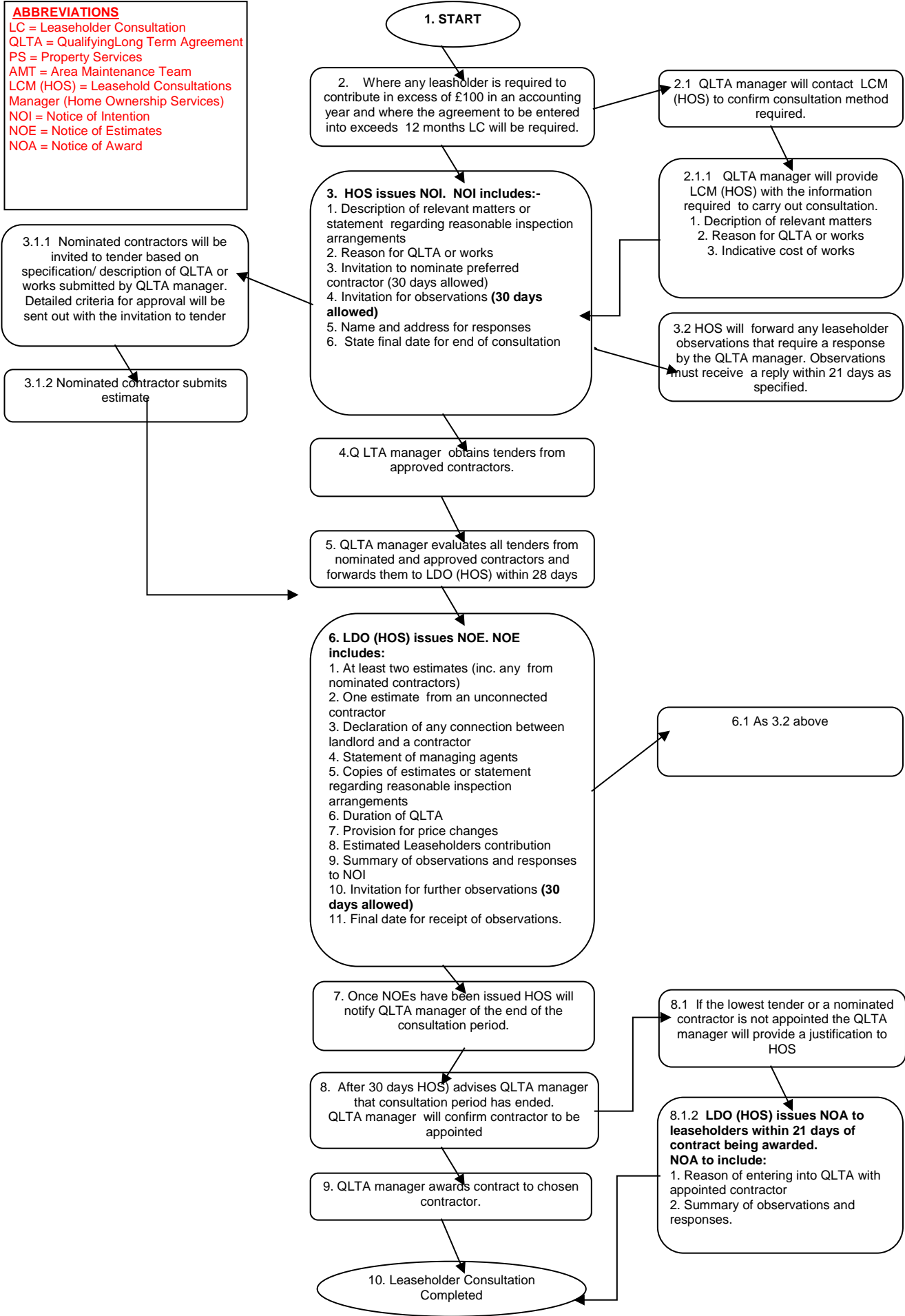
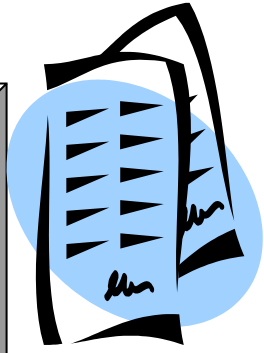
Yours sincerely

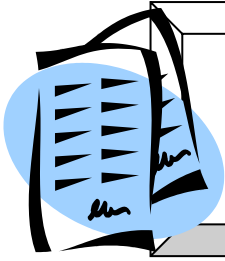
Eleanor Byrne
Area Manager

If you are unhappy with the way the GLA has handled your request, you may complain using the GLA's FOI complaints and internal review procedure, available at:

<https://www.london.gov.uk/about-us/governance-and-spending/sharing-our-information/freedom-information>

HOME OWNERSHIP SERVICES
Leaseholder Consultation under
Schedule 1
(Qualifying Long Term Agreement and No Public Notice)

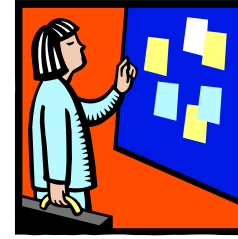




HOME OWNERSHIP SERVICES

Leaseholder Consultation under
Schedule 2

(Qualifying Long Term Agreement with Public Notice OJEU)



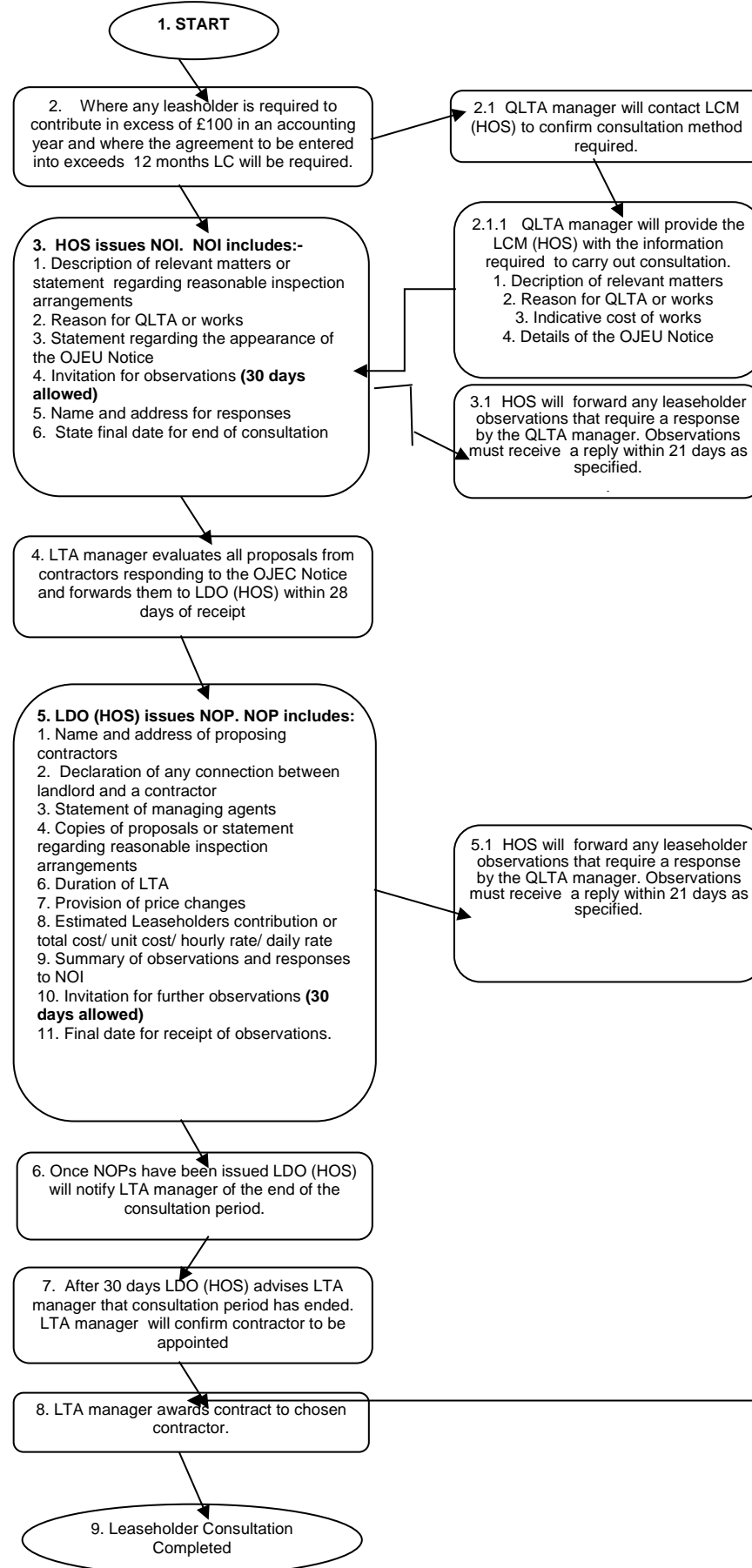
ABBREVIATIONS

LC = Leaseholder Consultation
QLTA = Qualifying Long Term Agreement
LCM (HOS) = Leasehold Consultations Manager (Home Ownership Services)
NOI = Notice of Intention
NOP = Notice of Proposals

EXPLANATIONS

LTA Manager = any of the following dependent on contract/ goods/ services/ works being provided or carried out:

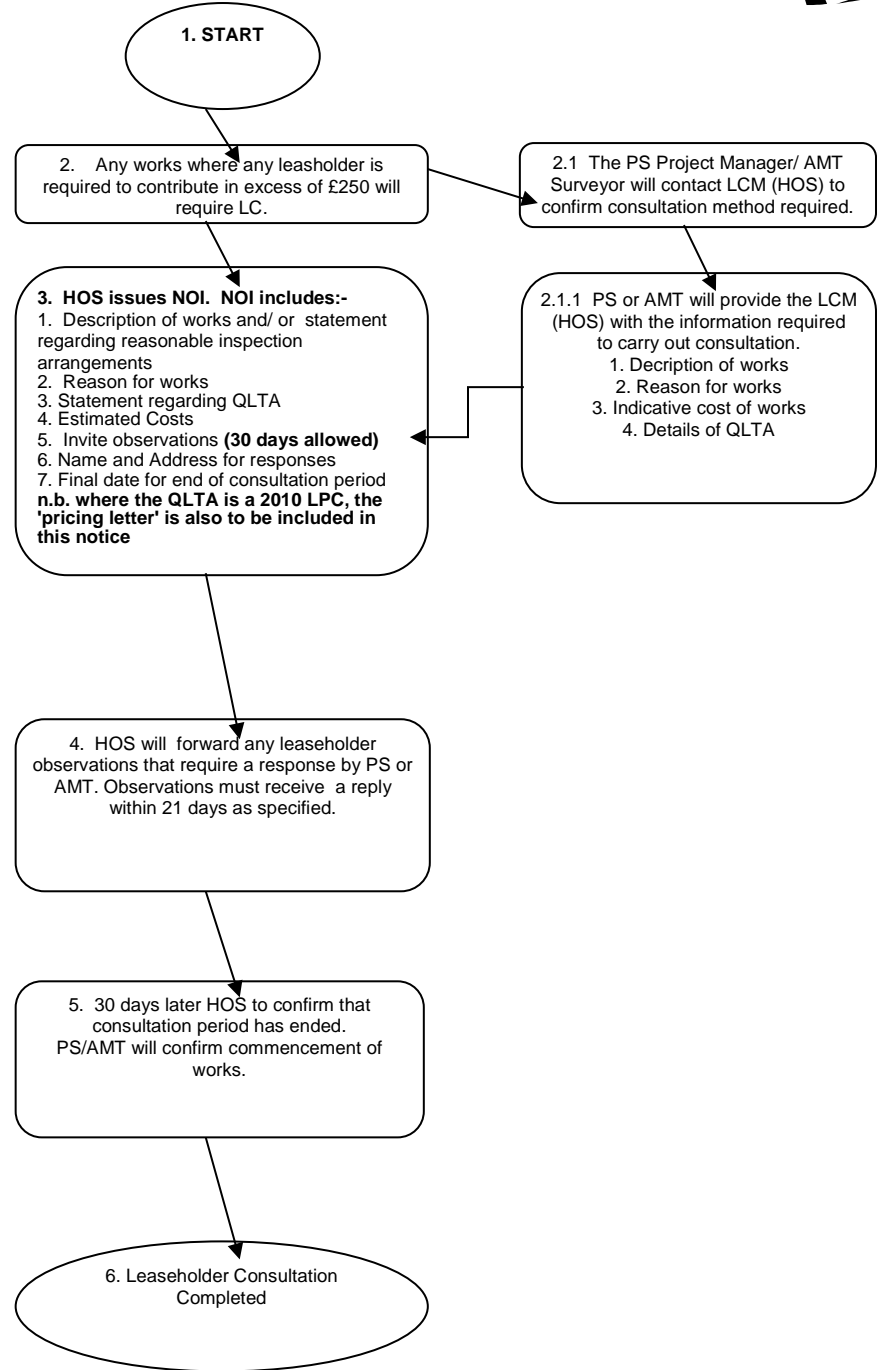
PS = Property Services
AMT = Area Maintenance Team
CPU = Central Procurement Unit



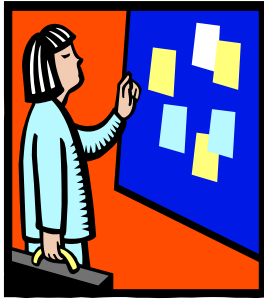
HOME OWNERSHIP SERVICES
Leaseholder Consultation under
Schedule 3
(Works under a Qualifying Long Term Agreement) To be
completed



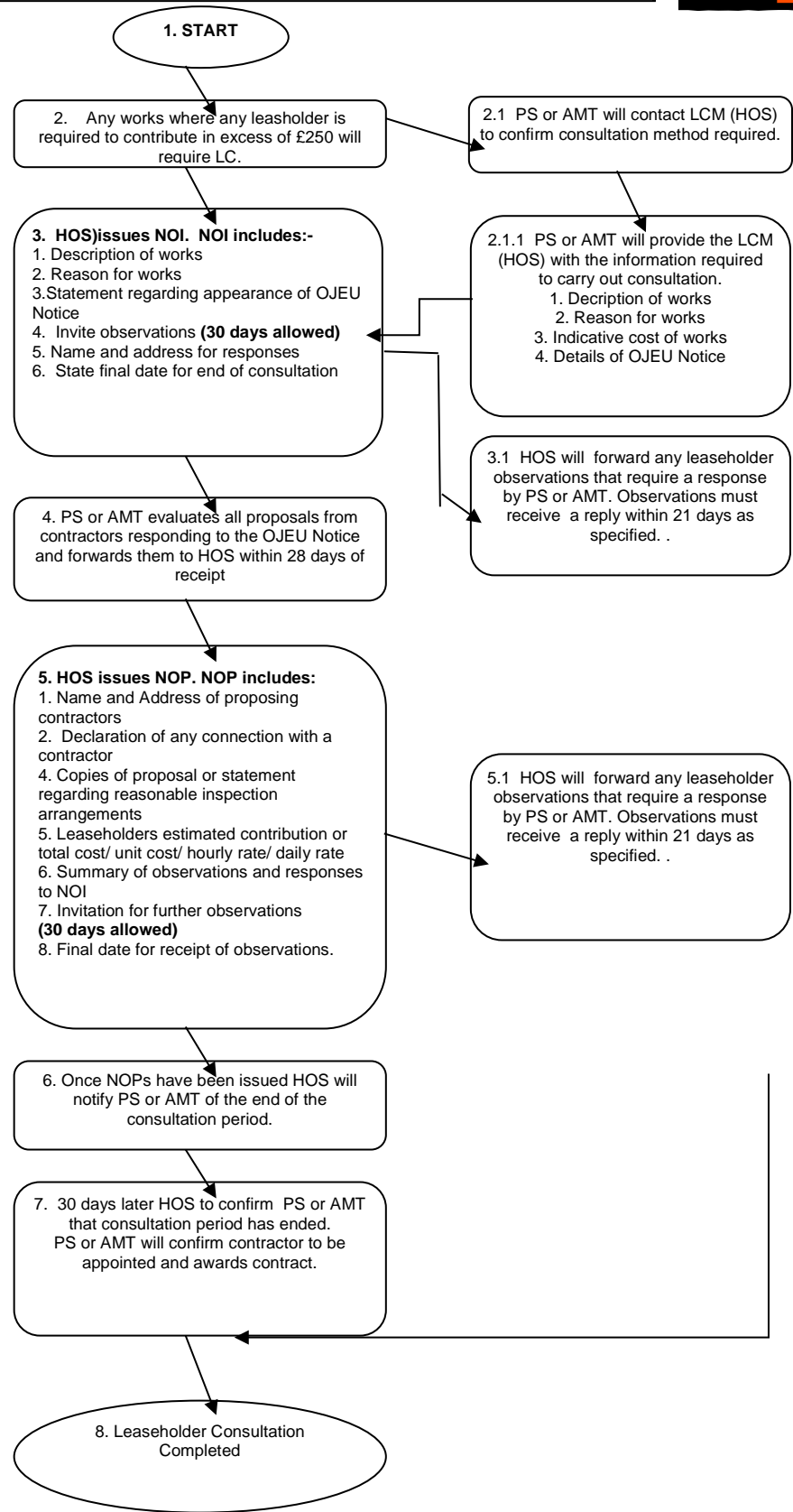
ABBREVIATIONS
LC = Leaseholder Consultation
AMT MS = Area Maintenance Team
PS = Property Services
LCM (HOS) = Leasehold Consultations
Manager (Home Ownership Services)
NOI= Notice of Intention
QLTA= Qualifying Long Term Agreement
NOP = Notice of Proposal



HOME OWNERSHIP SERVICES
Leaseholder Consultation under
Schedule 4, Part 1
(No Long Term Agreement and With Public Notice OJEC)



ABBREVIATIONS
LC = Leaseholder Consultation
PS = Property Services
AMT = Area Maintenance Team
LCM (HOS) = Leasehold Consultation
Manager (Home Ownership Services)
NOI = Notice of Intention
NOP = Notice of Proposal

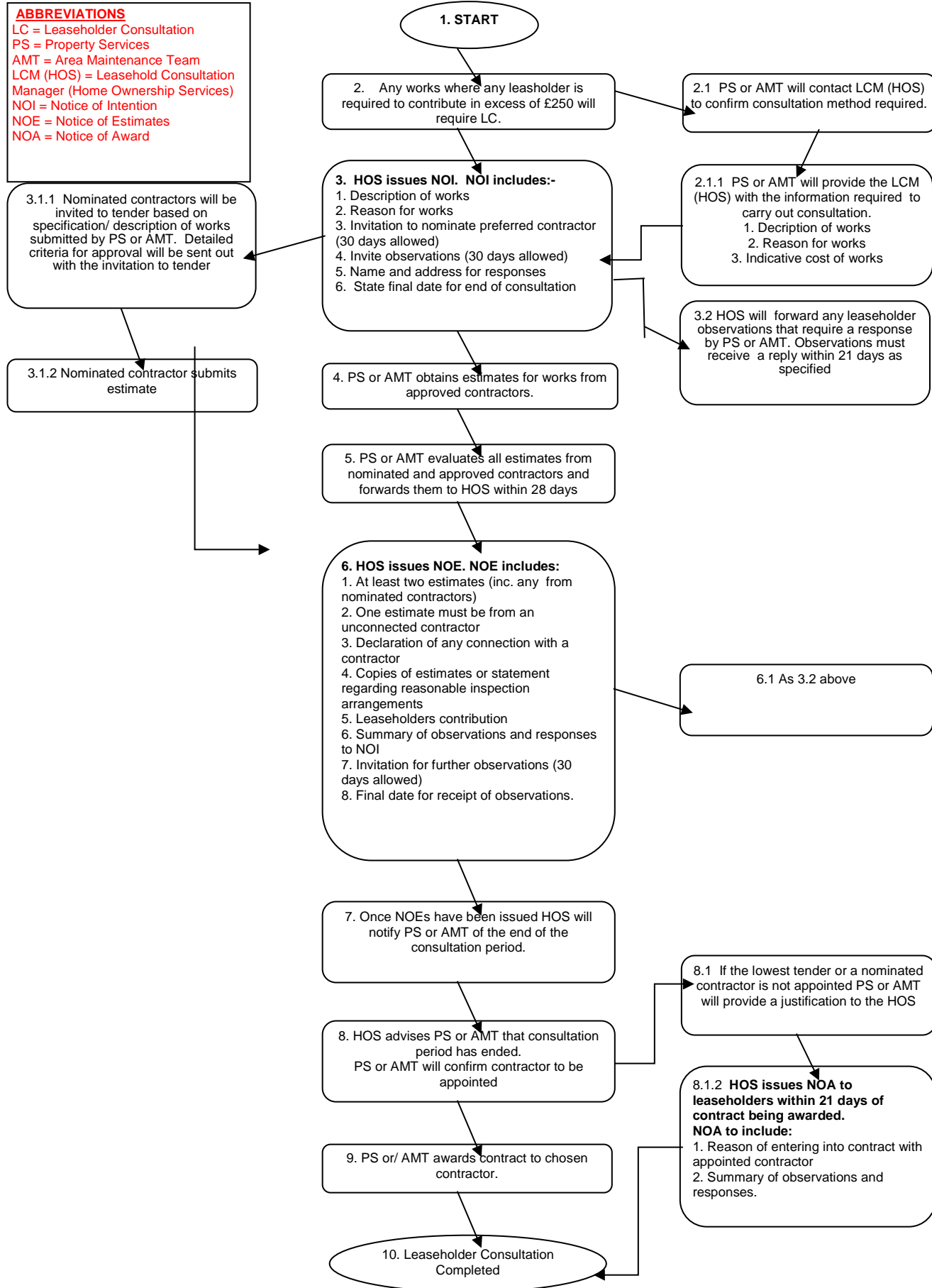


HOME OWNERSHIP SERVICES

Leaseholder Consultation under
Schedule 4, Part 2
(No Long Term Agreement and No Public Notice)

ABBREVIATIONS

LC = Leaseholder Consultation
PS = Property Services
AMT = Area Maintenance Team
LCM (HOS) = Leasehold Consultation
Manager (Home Ownership Services)
NOI = Notice of Intention
NOE = Notice of Estimates
NOA = Notice of Award



Estimated Major Works charges for 1 April 2014 – 31 March 2015

Payment reference number: MW_RAC_PAY_REF		Address: ADDRESS_LINE_1, ADDRESS_LINE_2, ADDRESS_LINE_6	
Date: DATE		Estate name: EST_NAME	
Block Rateable Value:	BLOCK_RV	Estate Rateable Value:	ESTATE_RV
Dwelling Rateable Value:	PROP_RV		
Proposed works	Block cost	Your charge	
	£	£	
Estimated total			
Management Charge			
Consultant's Fees			
Estimated total for major works			

Estimated routine service charges for 1 April 2014 to 31 March 2015

Pay reference no: DHS/HOS/EST14/15/ pay ref	Address: Address_line_1 , Address_line_2 Address_line_6	
Date :	DATE	
Estate Rateable Value:	Estate RV	
Block Rateable Value:	Block RV	
Dwelling Rateable Value:	Property RV	
Block services	Block cost	Property cost
Boiler Repairs and Maintenance	BOIREPMTNB	BOIREPMTNB - PROP
Cleaning	CLEANING	CLEANING - PROP
Communal electricity	COMMELEC	COMMELEC - PROP
Communal electrical maintenance	COMMELMNTB	COMMELMNTB- PROP
Communal ventilation maintenance	COMVENTMNT	COMVENTMNT- PROP
Communal water quality	COMMWATER	COMMWATER- PROP
Communal window cleaning	COMMWINCN	COMMWINCN - PROP
Concierge	CONCIERG	CONCIERG- PROP
CCTV	CCTVB	CCTVB- PROP
Disinfestation	DISINFEST	DISINFEST - PROP
Door entry system	ENTRYPHO	ENTRYPHO - PROP
Lightning Protection	LIGHTNGPRO	LIGHTNGPRO- PROP
Lift services & repairs	LIFTSEREPB	LIFTSEREPB- PROP
Fire ventilation maintenance	FIREVENTMT	FIREVENTMT- PROP
Repairs and Maintenance	GENMNTBK	GENMNTBK- PROP
TV aerial	COMMTVAR	COMMTVAR - PROP

Block external services		
Cleaning	EXTCLEANB	EXTCLEANB- PROP
External tree maintenance	EXTREEMNTB	EXTREEMNTB- PROP
Grounds maintenance	EXTGRSMTNB	EXTGRSMTNB- PROP
Repairs and maintenance	EXTREPMTNB	EXTREPMTNB- PROP
Estate services		
Cleaning	CLEANEST	CLEANEST- PROP
CCTV	CCTVE	CCTVE- PROP
Communal electricity	COMMELECE	COMMELECE- PROP
Grounds maintenance	GROUNDMNTE	GROUNDMNTE- PROP
Repairs and Maintenance	GENMNTEs	GENMNTEs- PROP
Tree maintenance	TREEMNTEST	TREEMNTEST- PROP
Hot water		HOTWATER- PROP
Heating		HEATING- PROP
Sub-total	SUB-TOTAL	SUB-TOTAL- PROP
Management charge		Combi-MAN FEE_MAN CHRG_PROP
Building insurance premium		INSURANCE - PROP
Ground rent		GROUNDRENT - PROP
Total due for payment		TOTAL

Date: 19 December 2013

Estimated Service Charge for 1 April 2013 – 31 March 2014

Property Address:

Dear

On 12 April we wrote to inform you there would be a delay in sending your service charges for the above year. I enclose a breakdown of your contribution towards routine service charges; ground rent, insurance and major works, for the financial year 2013-2014. Please accept our apologies for the delay in sending out your invoice.

A summary of your 2013/14 service charges & major works (Part A) shows the total estimated amount due for payment. This estimate is then separated into service charges and major works and a separate demand for ground rent as detailed below:

1. Service Charges

This is a breakdown of your day to day service charges, ground rent and insurance for the financial year beginning 1 April 2013. You can pay the whole amount immediately, or by installment over the remaining months of the financial year ending March 2014. If you choose to pay by installment, please contact a member of the Collection Team on 0207 926 6700 to confirm the arrangement.

2. Major Works

This is a breakdown of major works for the financial year beginning 1 April 2013. An invoice has been raised on your account. There are works planned to your building during 2013-2014 and we have estimated the cost to be incurred for the year. This is a description of the works Repairs, replacement and redecoration as required to the roof, windows, external walls, soil stacks, rainwater goods, property boundaries, communal external doors and communal internal areas.

We offer a range of payment options which are set out in the enclosed useful information booklet.

These are separate from any works you have already been billed for or any balances you may have outstanding on accounts for previous works.

3. Ground Rent

This sets out the amount of rent due from you and the date by which you must pay it.

4. Summary of Rights & Obligations

This explains your rights and responsibilities for service charges and administration charges.

5. Standing Order

There are two separate forms, one for service charge and one for major works.

6. Change of Details

We update our records regularly and need to know if there are any changes.

7. Service Charge Statement

This shows the balance on your service charge account only as at 19/12/2013. Major works statements are not currently available so please phone on the number below for a balance on this charge.

Useful information booklet

This explains your service charges and major works in more detail. It gives you the options for making payment and help with your charges as well as answering frequently asked questions.

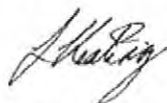
How to contact us

If you have any questions, please contact the Service Charges Collections team or Major Works Charges team by:

- Telephone: 020 7926 6700
- Email (service charge) sccollections@lambethliving.org.uk
- Email (major works) s20majorworks@lambethliving.org.uk
- Or by writing to: Lambeth Living
Home Ownership Services
Hambrook House
Porden Road
London, SW2 5RW

We sincerely apologise for any inconvenience our delay in issuing the estimates might have caused you.

Yours sincerely,



Lisa Keating

Head of Home Ownership Services
Lambeth Living

Part A

Summary of Estimated Service Charges & Major Works: 1 April 2013 – 31 March 2014

Reference number: 602521		ADDRESS:	
Date: 19 December 2013		Estate Name: CS2 NON-ESTATE	
Block RV:	1346	Estate RV:	1346
Dwelling RV:	282	Your Block apportionment : 0.21%	Your Estate apportionment : 0.21%
Estimated service charge due for year:			
			£
Part 1 Day to day service charges (see notes under each section for payment options)			1076.75
Part 2 Major Works service charges (see notes under each section for payment options)			29139.80
Total due for payment (see note2)			30216.55
Your landlord's address for serving notices is: The Mayor and Burgesses of Lambeth London Borough of Lambeth Town Hall, Brixton Hill London, SW2 1RW			
(Section 48 of the Landlord and Tenant Act 1985 as amended)			
Note 1. Further details and a breakdown of both Part 1 and Part 2 charges are detailed in the next few pages along with details of when payment should be made.			
Note 2. RV stands for rateable value. Your lease requires Lambeth Living to apportion service charges using the rateable value. See the service charge explanatory booklet for further details			

**Part 1 – Day to day Estimated Service Charges
01 April 2013 to 31 March 2014**

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PAY REFERENCE NO: 602521020	ADDRESS:	
Date:	19 December 2013	
Estate RV:	1346	
Block RV:	1346	
Dwelling RV:	282	
BLOCK SERVICES	BLOCK COST	PROPERTY CHARGE
Boiler Repairs and Maintenance	0.00	0.00
Cleaning	484.90	101.59
Communal Electricity	119.24	24.98
Communal Electrical Maintenance	0.00	0.00
Communal Ventilation Maintenance	0.00	0.00
Communal Water Quality	0.00	0.00
Communal Window Cleaning	60.85	12.75
Concierge	0.00	0.00
CCTV	0.00	0.00
Disinfestation	0.00	0.00
Door Entry System	229.94	48.17
Lightning Protection	0.00	0.00
Lift Services and Repairs	0.00	0.00
Fire Ventilation Maintenance	0.00	0.00
Repairs and Maintenance	318.67	66.76
TV Aerial	0.00	0.00
BLOCK EXTERNAL SERVICES		
Cleaning	514.69	107.83
External Tree Maintenance	0.00	0.00

Grounds Maintenance	95.53	20.01
Repairs And Maintenance	0.00	0.00
ESTATE SERVICES		
Cleaning	0.00	0.00
CCTV	0.00	0.00
Communal Electricity	0.00	0.00
Grounds Maintenance	0.00	0.00
Repairs and Maintenance	0.00	0.00
Tree Maintenance	0.00	0.00
Hot Water		0.00
Heating		0.00
SUB-TOTAL	1823.83	382.09
Management Charge		106.21
Building Insurance Premium		578.45
Ground Rent		10.00
TOTAL - Part 1 Service Charges due for payment		1076.75

Your landlord's address for serving Notices is The Mayor and Burgesses of Lambeth, London Borough of Lambeth, Town Hall, Brixton Hill, London, SW2 1RW (s. 48 of the Landlord and Tenant Act 1985 as amended).

Part 2 – Major Works Charges
Estimated Charges for the period:
01 April 2013 to 31 March 2014

Major works planned for the year

Payment reference number: 721055980	Address:	
Date: 19 December 2013	Estate Name: CS2 NON-ESTATE	
Block RV: 1346	Estate RV: 1346	
Dwelling RV: 282		
Works Elements	Block Cost	Your charge
	£	£
Asbestos Removal	0.00	0.00
Balcony works	0.00	0.00
Bin Chambers	0.00	0.00
Boundary Walls and Fences	7500.00	1571.32
Building Floor works	0.00	0.00
Building Frame Repairs	0.00	0.00
Building Sub-Structure works	0.00	0.00
Communal Heating works	0.00	0.00
Communal Doors	2500.00	523.77
Communal Area Repairs and Decorations	16250.00	3404.53
Concrete Repairs	0.00	0.00
Damp works	0.00	0.00
Door Entry Systems and Access	0.00	0.00
Drainage works	0.00	0.00
Dry Rot works	0.00	0.00
Electrical Installations	0.00	0.00
Emergency Lighting	0.00	0.00
Estate Lighting	0.00	0.00
Estate works	0.00	0.00
External Redecoration	0.00	0.00
External Walls	16250.00	3404.53
Fire Safety works	0.00	0.00

Installation	0.00	0.00
Insulation works	0.00	0.00
Lift works	0.00	0.00
Lightning Protection	0.00	0.00
Other Costs	0.00	0.00
Rain water goods	5000.00	1047.55
Refuse and Recycling systems	0.00	0.00
Roof works	13500.00	2828.38
Roof Safety works	0.00	0.00
Scaffolding	8750.00	1833.21
Service	0.00	0.00
Surveys	5000.00	1047.55
TV Aerial	0.00	0.00
Ventilation works	0.00	0.00
Water Pumps	0.00	0.00
Water Supply works	0.00	0.00
Windows	27500.00	5761.52
Preliminaries	22658.60	4747.20
Sub Total	130879.57	27420.53
Management Charge		1719.27
Consultants fees	5970.92	1250.97
Total – Part 2 Service Charges due for payment		29139.80

Your landlord's address for serving notices is:

The Mayor and Burgesses of Lambeth
London Borough of Lambeth
Town Hall, Brixton Hill
London, SW2 1RW

(Section 48 of the Landlord and Tenant Act 1985 as amended)

Note 1. As this is an interim charge please see the enclosed Leaseholder's Guide to Major Works for guidance on how to make payments.

Note 2. Please use the payment reference (721055980) for any standing orders or payments.

Note 3. RV = rateable value. Your lease requires Lambeth Living to apportion service charges using the rateable value. Please see the enclosed service charge explanatory booklet for further details.

Note 4. Please be aware these are estimated charges which may change following Section 20 consultation and at final account. Details of each will be sent to you when available with a complete description of works and costs.

Notes 5. Your charge has been calculated using the following formula:

$$((\text{block cost} \div \text{block rateable value}) \times (\text{dwelling rateable value}))$$

19 December 2013

Dear

Re: Service Charge Statement:

This is a statement of your service charge account from 1st April 2012. It shows payments and charges raised for the period 2nd April 2012 to 19th December 2013.

The balance at the beginning of the year includes any unpaid charges from previous periods or credits where there has been an overpayment.

Please contact Home Ownership Services on 020 7926 6700 if you have any queries about this statement.

Property Address:

Account Payment Reference No: **602521020**

Current Total Account Balance: **£222.30 Debit**

Transaction Date	Effective Date	Charge (£)	Payment (£)	Adjustment (£)	Description	Balance (£)
03/04/2012	03/04/2012		-88.25		Balance as at 2nd April 2012	2.24 Debit
02/05/2012	02/05/2012		-88.25		Payment	86.01 Credit
21/05/2012	01/04/2012	929.49			Payment	174.26 Credit
06/06/2012	06/06/2012		-88.25		2012/13 Estimate	755.23 Debit
03/07/2012	03/07/2012		-83.91		Payment	666.98 Debit
02/08/2012	02/08/2012		-83.91		Payment	583.07 Debit
04/09/2012	04/09/2012		-83.91		Payment	499.16 Debit
02/10/2012	02/10/2012		-83.91		Payment	415.25 Debit
25/10/2012	25/10/2012		-83.91		Payment	331.34 Debit
02/11/2012	02/11/2012		-83.91	-87.84	2011/12 Final Account Adjustment	243.50 Debit
04/12/2012	04/12/2012		-83.91		Payment	159.59 Debit
03/01/2013	03/01/2013		-83.91		Payment	75.68 Debit
04/02/2013	04/02/2013		-83.91		Payment	8.23 Credit
04/03/2013	04/03/2013		-83.91		Payment	92.14 Credit
24/03/2013	01/04/2013	1076.75			Payment	176.05 Credit
18/06/2013	18/06/2013		-107.68		2013/14 Estimate	900.70 Debit
23/07/2013	23/07/2013		-107.68		Payment	793.02 Debit
16/08/2013	16/08/2013		-107.68		Payment	685.34 Debit
18/09/2013	17/09/2013		-107.68		Payment	577.66 Debit
16/10/2013	16/10/2013		-107.68		Payment	469.98 Debit
11/11/2013	11/11/2013		-107.68	75.36	2012/13 Final Account Adjustment	362.30 Debit
18/11/2013	18/11/2013		-107.68		Payment	437.66 Debit
17/12/2013	17/12/2013		-107.68		Payment	329.98 Debit
						222.30 Debit

Ground Rent

Commonhold and Leasehold Reform Act 2002, Section 166 Notice to Long Leaseholders of Rent Due

To:

This notice is given in respect of _____ on 01 April 2013.

This rent is payable in respect of the period 01 April 2013 to 31 March 2014.

In accordance with the terms of your lease the amount of £10.00 is due on 01 April 2013.

Payment should be made to London Borough of Lambeth.

This notice is given by The Mayor and Burgess of Lambeth, London Borough of Lambeth, Town Hall, Brixton Hill, London SW2 1RW

Notes for all Leaseholders

Please read this notice carefully. It sets out the amount of rent due from you and the date by which you must pay it. You are advised to seek help immediately if you cannot pay or if you dispute the amount. Those who can help you include a citizens' advice bureau, a housing advice centre, a law centre and a solicitor. You will need to provide this notice and a copy of your lease to whoever helps you.

The landlord may be able to claim additional sums from you if you do not pay by the date specified in this notice. You have the right to challenge the reasonableness of any additional sums at a leasehold valuation tribunal.

Section 167 of the Commonhold and Leasehold Reform Act 2002 and regulations made under it prevent your landlord from forfeiting your lease for non-payment of rent, service charges or administration charges (or a combination of them) if the amount is £350 or less, or none of the unpaid amount has been outstanding for more than three years.

NB: Please note your ground rent forms part of your service charges, you do not need to make a separate payment.

MAJOR WORKS STANDING ORDER MANDATE



- Please complete, sign and submit this form direct to your bank/building society
- Please set up the instruction so that your payments reach us by the first of each month – the payment should leave your account on or around the 25th of the previous month

Name and address of your bank or building society:
Name(s) of account holder(s):
Your bank account number:
Your sort code:

Instructions to your bank/building society:

Please pay:	NatWest Bank, Head Office, Collection Account
Account of:	London Borough of Lambeth, Home Ownership Account
Branch Sort Code:	60-03-36
Account No:	61878855

Please make an initial payment of £ on the

and thereafter the sum of £ on the day of each succeeding month, until further notice.

Please quote the following nine-digit Service Charge account reference number on all payments:	721055980
---	------------------

THIS CANCELS ANY PREVIOUS STANDING ORDER UNDER THE ABOVE ACCOUNT NUMBER

Your signature(s):
Date:

PLEASE COMPLETE AND SIGN THIS FORM AND SUBMIT IT TO YOUR BANK OR BUILDING SOCIETY

SERVICE CHARGES STANDING ORDER MANDATE



- Please complete, sign and submit this form direct to your bank/building society
- Please set up the instruction so that your payments reach us by the first of each month – the payment should leave your account on or around the 25th of the previous month

Name and address of your bank or building society:
Name(s) of account holders:
Your bank account number:
Your sort code:

Instructions to your bank/building society:

Please pay:	NatWest Bank, Head Office, Collection Account
Account of:	London Borough of Lambeth, Home Ownership Account
Branch Sort Code:	57-64-69
Account No:	00000000

Please make an initial payment of £ on the

and thereafter the sum of £ on the day of each succeeding month, until further notice.

Please quote the following
nine-digit Service Charge
account reference number on
all payments:

602521020

THIS CANCELS ANY PREVIOUS STANDING ORDER UNDER THE ABOVE ACCOUNT NUMBER

Your signature(s):
Date:

PLEASE COMPLETE AND SIGN THIS FORM AND SUBMIT IT TO YOUR BANK OR BUILDING SOCIETY

Change of details form

As part of our commitment to improving service delivery to you we regularly review information held on our records to ensure accuracy. If the name or address on the covering letter is incorrect please complete the form below using block capital letters and return with the relevant supporting documentation.

Day to day service charge account number: 602521020

Major works service charge account number: 721055980

If the owner's names on the covering letter are incorrect, please update below

1) _____ 2) _____

3) _____ 4) _____

Date of purchase: _____

If you are the current owner and want us to send your service charge correspondence to a different address, please update your forwarding address in the box below.

You will need to prove ownership and a Notice of Transfer is required which is provided by your solicitor. For name changes a Marriage Certificate, Death Certificate etc will be adequate. We are unable to update our records without the relevant supporting documentation. *A notice fee of £35 to be made payable to Lambeth Living Ltd.

Forwarding address (if this applies)

Are you the current owner? Yes ☐ No ☐

Are you subletting? Yes ☐ No ☐

Your contact details:

Home: _____ Mobile: _____

Work: _____ Email: _____

If you update any information please sign and return to: **Lambeth Living, Home Ownership Services, 2nd Floor Hambrook House, Porden Road, London SW2 5RW**

1st signature _____ Date _____

2nd signature _____ Date _____

3rd signature _____ Date _____

SERVICE CHARGES – SUMMARY OF TENANTS' RIGHTS AND OBLIGATIONS

- (1) This summary, which briefly sets out your rights and obligations in relation to variable service charges, must by law accompany a demand for service charges. Unless a summary is sent to you with a demand, you may withhold the service charge. The summary does not give a full interpretation of the law and if you are in any doubt about your rights and obligations you should seek independent advice.
- (2) Your lease sets out your obligations to pay service charges to your landlord in addition to your rent. Service charges are amounts payable for services, repairs, maintenance, improvements, insurance or the landlord's costs of management, to the extent that the costs have been reasonably incurred.
- (3) You have the right to ask a leasehold valuation tribunal to determine whether you are liable to pay service charges for services, repairs, maintenance, improvements, insurance or management. You may make a request before or after you have paid the service charge. If the tribunal determines that the service charge is payable, the tribunal may also determine –
 - who should pay the service charge and who it should be paid to;
 - the amount;
 - the date it should be paid by; and how it should be paid.

However, you do not have these rights where –

- a matter has been agreed or admitted by you;
 - a matter has already been, or is to be, referred to arbitration or has been determined by arbitration and you agreed to go to arbitration after the disagreement about the service charge or costs arose; or
 - a matter has been decided by a court.
- (4) If your lease allows your landlord to recover costs incurred or that may be incurred in legal proceedings as service charges, you may ask the court or tribunal, before which those proceedings were brought, to rule that your landlord may not do so.
-
- (5) Where you seek a determination from a leasehold valuation tribunal, you will have to pay an application fee and, where the matter proceeds to a hearing, a hearing fee, unless you qualify for a waiver or reduction. The total fees payable will not exceed £500, but making an application may incur additional costs, such as professional fees, which you may also have to pay.
 - (6) A leasehold valuation tribunal has the power to award costs, not exceeding £500, against a party to any proceedings where -
 - it dismisses a matter because it is frivolous, vexatious or an abuse of process; or
 - it considers a party has acted frivolously, vexatiously, abusively, disruptively or unreasonably.

The Upper Tribunal has similar powers when hearing an appeal against a decision of the leasehold valuation tribunal.

(7) If your landlord -

- proposes works on a building or any other premises that will cost you or any other tenant more than £250,
- or
- proposes to enter into an agreement for works or services which will last for more than 12 months and will cost you or any other tenant more than £100 in any 12 month accounting period.

Your contribution will be limited to these amounts unless your landlord has properly consulted on the proposed works or agreement or a leasehold valuation tribunal has agreed that consultation is not required.

(8) You have the right to apply to a leasehold valuation tribunal to ask it to determine whether your lease should be varied on the grounds that it does not make satisfactory provision in respect of the calculation of a service charge payable under the lease.

(9) You have the right to write to your landlord to request a written summary of the costs which make up the service charges. The summary must –

- cover the last 12 month period used for making up the accounts relating to the service charge ending no later than the date of your request, where the accounts are made up for 12 month periods; or
- cover the 12 month period ending with the date of your request, where the accounts are not made up for 12 month periods.

The summary must be given to you within 1 month of your request or 6 months of the end of the period to which the summary relates whichever is the later.

(10) You have the right, within 6 months of receiving a written summary of costs, to require the landlord to provide you with reasonable facilities to inspect the accounts, receipts and other documents supporting the summary and for taking copies or extracts from them.

(11) You have the right to ask an accountant or surveyor to carry out an audit of the financial management of the premises containing your dwelling, to establish the obligations of your landlord and the extent to which the service charges you pay are being used efficiently. It will depend on your circumstances whether you can exercise this right alone or with the support of others living in the premises. You are strongly advised to seek independent counsel before exercising this right.

(12) Your lease may give your landlord a right of re-entry or forfeiture where you have failed to pay charges which are properly due under the lease. However, to exercise this right, the landlord must meet all the legal requirements and obtain a court order. A court order will only be granted if you have admitted you are liable to pay the amount or it is finally determined by a court, tribunal or by arbitration that the amount is due. The court has a wide discretion in granting such an order and it will take into account all the circumstances of the case.

ADMINISTRATION CHARGES – SUMMARY OF TENANTS' RIGHTS AND OBLIGATIONS

- 1: This summary, which briefly sets out your rights and obligations in relation to administration charges, must by law accompany a demand for administration charges. Unless a summary is sent to you with a demand, you may withhold the administration charge. The summary does not give a full interpretation of the law and if you are in any doubt about your rights and obligations you should seek independent advice.
 - 2: An administration charge is an amount which may be payable by you as part of or in addition to the rent directly or indirectly:
 - For or in connection with the grant of an approval under your lease, or an application for such approval
 - For or in connection with the provision of information or documents
 - In respect of your failure to make any payment due under your lease
 - In connection with a breach of a covenant or condition of your lease.
 - 3: Any provision contained in a grant of a lease under the right to buy under the Housing Act 1985, which claims to allow the landlord to charge a sum for content or approval, is void.
 - 4: You have the right to ask a leasehold valuation tribunal whether an administration charge is payable. You may make a request before or after you have paid the administration charge. If the tribunal determines the charge is payable, the tribunal may also determine:
 - Who should pay the administration charge and who it should be paid to
 - The amount
 - The date it should be paid by
 - How it should be paid.
- However, you do not have this right where:
- A matter has been agreed to or admitted by you
 - A matter has been, or is to be, referred to arbitration or has been determined by arbitration and you agreed to go to arbitration after the disagreement about the administration charge arose
 - A matter has been decided by a court.
- 5: You have the right to apply to a leasehold valuation tribunal for an order varying the lease on the grounds that any administration charge specified in the lease, or any formula specified in the lease for calculating an administration charge is unreasonable.
 - 6: Where you seek a determination or order from a leasehold valuation tribunal, you will have to pay an application fee and, where the matter proceeds to a hearing, a hearing fee, unless you qualify for a waiver or reduction. The total fees payable to the tribunal will not exceed £500, but making an application may incur additional costs, such as professional fees which you may have to pay.
 - 7: A leasehold valuation tribunal has the power to award costs, not exceeding £500, against a party to any proceedings where:
 - It dismisses a matter because it is frivolous, vexatious or an abuse of process
 - It considers that a party has acted frivolously, vexatiously, abusively, disruptively or unreasonably

The upper tribunal has similar powers when hearing an appeal against a decision of a leasehold valuation tribunal.

- 8: Your lease may give your landlord a right of re-entry or forfeiture where you have failed to pay charges which are properly due under the lease. However, to exercise this right, the landlord must meet all the legal requirements and obtain a court order. A court order will only be granted if you have admitted you are liable to pay the amount or it is finally determined by a court, a tribunal or by arbitration that the amount is due. The court has a wide discretion in granting such an order and it will take into account all the circumstances of the case.

Service Charge Information 2013/14

The annual estimated service charge

The service charge year runs from 1 April 2013 to 31 March 2014. Each financial year, we send you an estimate of your service charges which shows your share of the costs of providing services, day-to-day maintenance and repairs to your block or estate.

Our aim is to make the estimated charges as close as possible to the actual costs. The estimated charges are calculated by taking into consideration a number of different factors including the costs in previous certified accounts, assessing the letting of new contracts, existing contracts prices, the annual rate of inflation and taking into account any extraordinary factors if applicable.

At the end of the financial year we will prepare our final accounts. These certified accounts outline what was actually spent on providing the services to your block and your estate. This will be sent to you in October 2014 as the certified summary for 2013/14.

Our service

We often receive a high volume of calls and letters after we send out the estimated service charge account information. This puts considerable pressure on our service. In order to assist you we have answered some frequently asked questions that you may have regarding the estimated service charges.

During this period of high volume of enquiries, we may not be able to deliver our full written replies to you within our standard 10 working day turnaround policy. However, to ensure that you get high quality replies, we will acknowledge receipt of your enquiry within three working days and tell you who will be dealing with your enquiry. If we are not able to provide a full reply we will send you a partial reply within 10 working days and tell you when we will be able to provide you with a full reply.

Introduction of two new services in 2013/14

1. Communal Electrical Maintenance

This service covers the testing and maintenance of all landlord electrical installation; including wires, lights and intake cupboards.

2. Tree Maintenance

This service covers the maintenance of trees on the estate and around the block.

Major Works Information

This guide explains the payment options for major works, when you need to pay your invoice, and other information that may help you when works are carried out.

Content

This guide contains:

1. Introduction
2. Estimated Invoice
3. Payment Options
4. Help for those in financial hardship
5. Deferring Payment with a charge on the Property
6. Other options you might consider
7. Final Account
8. Help and advice available to Leaseholders
9. Contacting Us

1: Introduction

From time-to-time we have to carry out major works on your estate or block. We do this to keep it in good condition. Examples of major works include:

- Replacing the roof
- Installing double glazing
- Painting the outside or shared parts of the building
- Replacing the communal electrical mains (rising and lateral mains).
- Lift replacement
- Door entry system replacement
- Water tank replacement
- Replacement of communal heating boilers and pipe work

Consulting you

For larger projects we will arrange a series of meetings for all residents. The first meeting is before works start and the contractor will be present. Depending on the size of the project there will be progress meetings held during the period the works are on site and residents will be updated with newsletters. We also carry out formal statutory consultation where costs to individual leaseholders exceed £250. This is called "Section 20 consultation". We will issue a Section 20 notice to all leaseholders. This will contain details of what we will do and the kind of costs involved. You should keep this notice and if you sell your home it must be passed on to your solicitor.

2: Estimated Invoice

Where costs are available we will issue an estimated invoice for any planned maintenance or major works projects expected to happen during the financial year. This will provide an estimate of the proposed work and should allow you to plan ahead; these will be issued at the beginning of the

service charge year. Please note that this excludes any works that have already been included in previous estimates.

Under the terms of your lease you are required to pay this sum in full by 31 March 2014. We understand that not everyone will find it easy to pay for major works so there are some ways to make it easier to pay. For further details see 3.Payment Options below.

Unlike your day to day service charges, which are due in monthly instalments, as soon as you get your invoice, major works costs may be spread over a much longer period.

We will include all works we are aware of, however we may have to issue invoices at a later date but you will still be entitled to all of the payment options. You should tell us if you think you may have difficulty paying the invoice at a later point. We can then give you help and advice to avoid difficulties at a later date.

3: Payment Options

When you receive your estimated invoice you can begin to make payments or contact us to discuss the options available to you as listed below:

- Pay in full and receive a 5% prompt payment discount
- Pay monthly over a period of up to 2 years interest free
- An interest bearing loan for between 3 and 10 years, depending on the size of your invoice
- Pay the full sum at final account when works have finished

If you are receiving benefits you should inform the Department of Work and Pensions (DWP) about the invoice as you may be entitled to additional payments for your housing costs. Please either contact your local Jobcentre directly or telephone the Pension Service on 08456 060 265. Additionally please see section 4; Help for those in financial hardship.

Option 1 – Prompt payment discount

Full and early payment of the estimated invoice entitles you to a 5% discount.

Eligibility: You must settle the account in full by the end of the financial year in which the estimated invoice was issued i.e. 31 March 2014. This option is open to all leaseholders and offers a 5% discount on the total cost of the works.

Option 2 – Interest-free instalments

Eligibility: Available to all charges over £1,200 and requires you to set up a repayment schedule by standing order. This option is for leaseholders who live in the property as their main home. The main points are listed below:

- Interest free repayment over a two-year period available from the date of the estimated invoice
- You are required to complete a payment agreement

Option 3-6 – Longer term, interest-bearing payment options

Eligibility: To qualify you will need to prove that you have not been able to get a loan elsewhere. In order to cover the cost of the financing of these loans the Council will charge you interest. These options are for leaseholders who live in the property as their main home:

- The Housing (Service Charge Loans) Regulations 1992 states that provided certain conditions are met, some leaseholders have the right to request a loan from the landlord (i.e. London Borough of Lambeth).
- The loan is available where a lease has been **purchased under the Right to Buy in the last 10 years and where you live in the property as your main residence**. To claim this loan, you must apply in writing to Home Ownership Services within 6 weeks from when the works start on site in which to take up this option. We will write to you to confirm that date

These options allow you to spread payment of your invoice over a longer period, of up to 10 years. The options available are:

- Option 3 - Costs between £1,200 and £4,999 – 3 year option
- Option 4 - Costs between £5,000 and £7,499 – 5 year option
- Option 5 - Costs between £7,500 and £9,999 – 7 year option
- Option 6 - Costs over £10,000 – 10 year option

Points to note:

- There are four loan options. How long you have to repay the loan depends on the amount you need to borrow
- There will be a standard administration fee of £452
- The interest rate will be fixed at the time that you take out the payment option and will remain fixed for the lifetime of the period. This rate will be calculated at the level of the Bank of England base rate plus 4%
- The current rate charged would be 4.5% (as at September 2013)

Your responsibility is to:

- Complete an application form
- Make equal payments over the period of the option; i.e. £6000 over 5 years would require monthly payments of £100 plus any interest due
- Make additional payments at any time during the term of the loan agreement
- Give us a copy of the refusal letter from your bank or building society as evidence that you have not been able to obtain a loan elsewhere

We will:

- Put a charge on the property at land registry in respect of the monies due. This means your property cannot be re-sold without all the monies being paid to the Council
- Arrange an interview with one of our major works officers in Home Ownership Services so that they can explain how the scheme works
- Write to you at the end of each year and advise you of the interest payments that will be due monthly in the next year

We strongly recommend that you always get independent financial advice before you sign any financial agreement and talk to your existing mortgage provider if you have one.

4: Help For those in Financial Hardship

Assessing individual cases

If a major works invoice is causing hardship, we will carry out an individual assessment. The Council does consider financial hardship when collecting debts owed.

Based on our findings, we will make a decision as to whether we can extend the payment period, which will help to reduce the monthly payments.

so that when you get the invoice you will have some money to help you pay. Also, you could be getting interest on the money you save.

B. Claiming benefits

If you are on Income Support, you may be able to get help with the cost of major works done to your property. You should contact your benefits agency who can tell you how to claim. You must apply as soon as you get the invoice or you will not be entitled to any benefit.

C. Extending your mortgage

You will need to speak to your mortgage lender about this. Your lender is likely to be able to offer you a better interest rate than the council can offer you.

D. Personal loans

You can apply to your bank or building society for a personal 'unsecured' loan to cover the cost of your invoice. An unsecured loan does not involve a mortgage, so your home is not directly at risk if you do not keep up the payments. However, the interest charges are normally much higher than for a mortgage.

E. Equity release schemes

These schemes are offered by a number of different financial organisations and the packages they offer can vary significantly. There are a number of different equity-release schemes and they are generally open to older homeowners. These schemes are designed to free up cash based on the equity in your home.

7: Final Account

When works are complete we receive a final account and can provide you with a detailed breakdown and invoice for each block and you can ask to see the contract documents.

The invoice will show the difference between the estimate and final account. If you have not taken up one of the instalment options you will need to pay the final account sum in full.

In cases where the final account is the first invoice and you have not received an invoice previously for the scheme all payment options will be available for you to consider.

If you pay by instalments you will need to adjust the monthly payments, if there is any change in the costs. For larger schemes we will arrange a one-to-one surgery where you can ask questions about your invoice.

8: Help and Advice Available

Lambeth Living is unable to provide independent financial advice. Please check Lambeth Council's website for details at: www.lambeth.gov.uk.

You will have to decide which option is most beneficial to you. The Citizens' Advice Bureau is the largest provider of free impartial and holistic debt and money advice in the UK. For your nearest bureau see your local phone book or visit: www.citizensadvice.org.uk

The London Borough of Lambeth is running the campaign 'Every Pound Counts' which offers a free benefits check and advice to ensure you claim your full benefits entitlement. To find out more, or to ask for an appointment, phone 020 7926 5555, Monday to Friday, 9am to 5pm or visit: <http://www.lambeth.gov.uk/Services/AdviceBenefits/Benefits/BenefitsAdvice>

In order to establish the best option for you, we will invite you for a one-to-one meeting where you would provide proof of the following:

- A refusal letter to obtain a loan for the major works from a building society or bank.
- Your claim to the DWP for help with the major works invoice
- That the property is your only and principal home.
- Income and outgoings by completing a financial statement for everyone who owns the property or over the age of 18 and resident in the property.
- We will ask you to provide details of any other circumstances that may be relevant.

A financial assessment gives us a clear picture of an individual's disposable income and from that we can advise on the best payment option. When assessing someone's ability to repay a loan, we will look at their priority debts such as monthly mortgage repayments.

After the assessment meeting we will write to you and advise you on:

- A payment plan along with any agreed extension of the payment period.
- Suggestion of any other agencies that might be able to help with any benefit claims.
- Agreement of time frames to allow for any loan applications or benefit claims.

You will be asked to sign and return the plan we have agreed.

5: Deferring Payment with a charge on the Property

We may agree to deferring payment if a charge is put against your property once a financial assessment has been carried out. Homeownership Services will complete a report and make a recommendation to the Director of Finance.

This option is available primarily to those households where the leaseholder is over 60, disabled and can show that there is insufficient income coming into the household in order to meet the costs of the works.

Repayments are not expected, but interest will be added at prevailing rates, so it is recommended payments are made where possible. This option would place a charge on the property so that the Council would effectively own a proportion of the property. The Council would therefore only access funding to repay the charge if the property is sold or passes between owners. There must be sufficient equity in the property to place the charge.

What is meant by putting a charge on the property?

We get our solicitors to register the loan at the Land Registry. This means that the loan must be repaid if the property is sold.

How is a charge removed from the property?

When the loan is re-paid we will instruct Land Registry to remove the charge from the property.

6: Other Options You Might Consider

There are other options available to leaseholders who will be charged for major works. These options are not provided or administered by Lambeth Living or the London Borough of Lambeth. You should always get independent financial advice before you sign any financial agreement.

A. Savings accounts

You can save towards the cost of any major work by setting up a bank or building society account, or a National Savings account. You can then regularly put aside as much money as you can afford,

Help from the Department of Work and Pensions (DWP)

You will need to phone the DWP to tell them about the changes in your housing costs and send a detailed schedule of the service charge costs for the major works with a covering letter asking for your benefit to be reassessed in view of the changes to your housing costs.

The Leasehold Advisory Service (LEASE)

LEASE provides free independent advice on residential leasehold law at:

149 Tottenham Court Road, London W1T 7BN
 Phone: 020 7374 5380, 0845 345 1993 (low call)
 Fax: 020 7383 9849
 Email: info@lease-advice.org.uk
 Website: www.lease-advice.org.uk

Opening times - Monday to Friday 9.30 am to 5.00 pm (phone first to make an appointment).

London Mutual Credit Union

This organisation is supported by Lambeth Council and offers current accounts and loans, helping those who may have difficulty setting up bank accounts. The organisation offers loans with no hidden costs, affordable rates, and free life insurance. Their contact details are:

Brixton Branch
 10 Acre Lane
 Brixton
 London SW2 5SG
 Website: www.creditunion.co.uk

9: Contacting Us

If you have any questions relating to major works consultations and invoicing, please contact the **Major Works Collections Team** by one of the following methods:

Telephone:	020 7926 6700
Post:	Major Works Collections Team Lambeth Living, Home Ownership Services, Hambrook House, Porden Road, London, SW2 5RW
Email:	s20majorworks@lambethliving.org.uk

Insurance Claims and Subsidence

This note should be read in conjunction with the main policy booklet which details all the insured risks and explains what is covered by the insurance policy.

Subsidence claims relating to the structure and common parts of the building sometimes occur. In these cases:

- Your buildings insurance policy will cover the cost.
- You will have to submit a claim to the insurer.

Leaseholders are expected to contact the insurers as soon as possible and full particulars and evidence of a claim should be submitted within 90 days.

In cases where there may be damage to the structure of the building through subsidence, ground heave or landslip it may not always be evident that there is a problem. Cracking for instance may not appear immediately in a top floor flat.

In order to mitigate the risk of a claim being made outside the 90 day period and being turned down by the insurers, Lambeth Living will take the following steps.

Step 1

- Where it is believed that there is damage caused by one of the insured perils our Responsive Repair Team will contact the insurers NIG (Accumus) directly on 0800 0510233 or by email at socialhousing@nig-uk.com quoting the policy number 5884011, and advise them that there is an incident. A note will be placed on their records stating that they are waiting for the claim to materialise. Everyone will then be within the relevant policy timescales.
- Each area team will maintain a log of cases for their area and update Home Ownership Services of any new cases.

Step 2

The team will notify leaseholders in writing, giving details of the incident.

Step 3

Leaseholders should contact the insurer and advise of their details along with information about any damage to the internal areas of their property such as cracking plaster.

Step 4

- Subject to authorisation from the insurers works will be carried out.
- Any Section 20 breakdowns will identify works covered by the insurance.
- It should be noted that in cases of subsidence there is sometimes quite a long monitoring period before works are carried out.

Step 5

Home Ownership Services will issue bills for the work. In subsidence cases there is a £1,000 excess. Leaseholders should submit their bill to the insurer directly and the insurer will make payment less any excess. In cases where there is also internal damage the insurer will also deal

with your claim. A contractor will be appointed by the building insurance loss adjusters, who will chose from among their panel of contractors.

What happens if the insurance company turns down the claim?

If the insurance company turns down the claim all details and the letter explaining the reason for their decision should be sent to Lambeth Council's Risk and Insurance team. Please contact the team on 0207 926 9330 or email: riskandinsurance@lambeth.gov.uk

The Risk and Insurance team will liaise with the insurer, to challenge any areas of concern and to find out why the claim has been rejected.

How to pay your Service Charges or Major Works

You can pay invoices in full or by instalments. If you choose to pay monthly, payment is due on the first day of each month and you must quote your nine digit service charge or major works account number to ensure payment reaches the correct invoice.

By standing order

You should complete the enclosed standing order mandate. If you have online or telephone banking, you can set up a standing order using the details on the mandate:

- A. Service charge
- B. Major works

By phone

Call **0207 926 6700** and ask to be put through to the service charge or major works collection team. Our offices are open Monday - Friday, 9am - 5pm.

By cheque

Cheques should be made payable to '**London Borough of Lambeth**'.

Put your address and nine-digit major works or service charge account number on the back of the cheque. You should send your cheque to Home Ownership Services, 2nd Floor, Hambrook House, Porden Road, Brixton, SW2 5RW.

If you need a receipt for postal payments, please send a stamped, self-addressed envelope with your payment.

In person

You can pay by cash or cheque at Olive Morris House, 18 Brixton Hill, Brixton, SW2 1RL. The office is open from 9am to 4.15pm, Monday to Friday.

SERVICE CHARGES ONLY

Online: You can now pay your service charge securely online with your credit or debit card. Please visit- <http://tinyurl.com/lambethservicecharge> and quote your service charge account number in the box provided.

Payment line You can call the collections team directly on one of the numbers below or the 24-hour automated payment line (**020 8290 2086 – choose option 5**) to pay with your credit or debit card. Make sure you make a note of the reference number that you will be given - this will be your receipt.

By swipe card

Contact your housing office or call the collections team in Homeownership services on one of the numbers enclosed to order a swipe card. When you receive this card, you can pay your service charge by presenting your swipe card together with your payment at any Post Office (Post Offices will accept cheques) or high street shop or retailer displaying the PayPoint 'PP' sign. You will be given a receipt for your payment.

All payments by Credit Card, will incur a 1.65% charge.

How are the service charges calculated? Why am I paying more service charges than my neighbour?

The method for charging service charges is set out in your lease or transfer document. Depending on the work or service provided, the cost is shared across the building or estate (if applicable) based on the rateable value (RV) of your property compared to the rateable value of all flats benefiting from the service or work. The Inland Revenue is responsible for establishing the rateable values of your property, not the London Borough of Lambeth. Rateable values depend on many factors, including property size and number of rooms. Usually the larger the property, the higher the rateable value and, in turn, the amount charged.

It is possible for identical properties to have different rateable values. In this way different properties, even within the same building, can have different charges.

Equally, two similar properties in different blocks may have the same rateable value. If different works or services are provided to the individual blocks then the amount charged for service charge is different.

For example where:

X = block cost of service, Y = estate cost of service

BRV = block rateable value, ERV = estate rateable value, PRV = property rateable value

For block service charge the calculation is:

$X / BRV * PRV$ = your contribution

$£500 / 350 * 140 = £200$

For estate service charge the calculation is:

$Y / ERV * PRV$ = your contribution (only applicable to properties on an estate)

$£3000 / 6225 * 140 = £67.47$

Communal (block) or estate electricity

This is the communal electricity supplied for the shared facilities in the block or on the estate. It includes the cost of the electricity needed for the lifts, lighting in the communal areas or throughout an estate, replacing light bulbs and renting meters from the electricity supplier.

Why have I been charged for this twice?

You have not been charged twice for the same service. If you live in a flat on an estate, there are two electricity charges: a block charge to cover the cost of electricity to the communal areas of your block and an estate charge for supplying electricity to the communal lighting on shared areas across the estate.

Repairs (general maintenance)

Your landlord cannot know the exact amount that will be spent on repairs in the coming year as it is impossible to know what items of repair or maintenance will be required over a 12 month period. However we base the estimated maintenance charges on the average amount spent in the previous financial year plus inflation. In the certified summaries at the end of the financial year, we will provide you with a list of the actual repairs that were carried out to your block or estate and you will only have to pay towards these repairs.

Frequently asked questions:

What are service charges?

Service charges are your share of the cost of managing, maintaining, repairing, insuring and providing services to the block or estate in which you live.

Service charges include items such as: cleaning, concierge, ground maintenance, repair and maintenance works, building insurance, pest control, heating, hot water (when supplied by the council) management costs and any other running costs to your block or estate. These charges are due to the landlord (London Borough of Lambeth) under the terms of your lease or transfer document.

What does my service charge cover?

The services you receive can vary according to where you live and the type of property you own. For example, if you live in a tower block with a lift on an estate, you receive more services than if you lived in a flat in a street property or low-rise block without a lift. The services you receive are shown on the service charge estimate. A list of the services that are provided by the council is also detailed below, together with an explanation of how we apportion the costs.

Why do I have to pay in advance for this service?

The terms of your lease state that you must pay in advance and we provide you with a yearly estimate to enable you to pay on a monthly basis.

When will I know the actual costs for the year?

By the end of October 2013, we will send you a certified summary outlining a breakdown of the actual costs for providing each service for the previous financial year. This includes a list of the repairs we have carried out to the communal areas of a particular block. If your property is located on an estate, we summarise the general repairs that have occurred on the estate.

If we have over-estimated the service charges, you will receive a credit on your account which you may claim back as a refund or leave on your account to assist in offsetting future monthly service charges. If we have under-estimated the charges, we will send you a letter detailing the outstanding balance, which you should pay within 28 days. If you are unable to do so, you must contact our Service Charge Collection team immediately upon receipt of the letter to discuss further payment options. The contact number for the Service Charge Collections Team can be found on the page titled "How to pay your service charges".

What is the difference between block and estate service charges?

Your block or estate are defined in your lease or transfer document.

Where we provide services or carry out work to the communal parts of a building, such as a lift, a block charge is made. All properties within your building will bear a share of these costs.

Where we provide a service or carry out work to the communal parts of an estate, such as maintaining grassed areas, an estate charge is made. All the properties on the estate as defined in your lease or transfer will bear a share of these costs.

Why have my estimated service charges gone up this year?

In most cases, the increase in service charges will be due to inflation or a change in contractors during the course of the year.

What are block repairs and maintenance charges?

An estimated cost of repairs carried out to the structure of the building in which your property is situated, including shared or communal areas and repairs to the lift. Please note the general maintenance block service charge does not include any repairs done inside leaseholders' or tenants' properties. Nor does it include any structural or communal repairs to any other building on your estate.

What are estate repairs and maintenance charges?

This is the estimated cost of the repairs that may occur on the estate in which your property is situated. This includes shared parts, estate roads, lighting columns, and footpaths which would be shown in the estate general maintenance section.

Estate or block cleaning

Each year contractors' costs are increased in line with the contract terms. The estimates are, therefore, based on the actual costs of the service to be provided.

The council has an obligation to ensure that the communal areas (e.g. landings, stairs, pathways, grassed areas, bin chambers, rubbish chutes etc.) are clean. Each block or estate has its own cleaning schedule which generally includes sweeping, mopping and litter picking throughout the communal parts.

We undertake a deep clean of communal stairwells, landings and rubbish chutes periodically. The cleaning charge also includes graffiti removal and cleaning of any lifts.

How often is the cleaning done?

As a rule, the cleaning of individual blocks is carried out twice a week and estate areas are cleaned on a daily basis. The frequency varies depending on the size of the block or estate. If you would like details of the cleaning schedule for your block or estate please call us.

Who monitors the cleaning service?

Cleaning is monitored by the Estate Services Team Manager or TMO office.

Does cleaning include bulk rubbish clearance?

For estates the cleaning charges for day-to-day cleaning includes the removal of bulk rubbish such as sofas or washing machines.

The quality or standard of cleaning is poor?

The cleaning should meet a specified standard, which is checked by the Local Estate Services Team Manager or TMO office. If the service is currently poor, please contact us and we will investigate the problem and let you know the outcome. If your property is based under the management of a TMO please contact the TMO office directly to discuss your concerns with the cleaning service.

Grounds maintenance

The amount that we have estimated as your contribution to this service is calculated using the contractors' costs and the rateable value of properties benefiting from the service. This method of sharing the cost is set out in your lease.

We employ a contractor to cut the grass, look after trees, shrubs and flowerbeds in the shared areas of estates and blocks. Generally, grassed areas should be cut every six weeks. Details of the schedule are posted on the entrance hallway of your building. If you require further clarification please contact us. If your property is based under the management of a TMO please contact the TMO office directly to discuss your concerns with the ground maintenance service.

I don't use the communal gardens, why should I pay?

The communal gardens are for all residents to use. Under the terms of your lease, the council must maintain them on behalf of all residents. You are, therefore, charged a proportion of the cost of this maintenance.

The grass has not been cut in over six weeks.

Bad weather conditions can make it hazardous for the contractor to cut the grass as scheduled. If this happens, the contractor will cut the grass as soon as weather conditions improve.

The grass has not been cut properly or I do not receive the service.

Please contact us, we will investigate with the Local Estate Services Team Manager and let you know the outcome. If your property is based under the management of a TMO please contact the TMO office directly to discuss your concerns with the ground maintenance service.

I am a freeholder, why must I pay?

If your property is on an estate, your transfer document will specify whether you should contribute to the costs of maintaining the estate. Please check your Transfer Document. If you do not have a Transfer Document please contact your mortgage provider or Land Registry Direct to obtain a copy.

Communal window cleaning

The method of applying charges for this service depends on contractors' costs and in-house staff. The estimated amount you have been asked to contribute is calculated using your property's rateable value. A contractor is employed to clean the outside of communal windows, up to the third floor of your block, and the inside of all communal windows within a block. Please note this does not include cleaning the windows of your individual property.

There are no communal windows in my block, why am I paying for this service?

If there are no communal windows you will not have to pay for this service. We undertook an audit of all communal window cleaning within the borough and have updated our records. If you receive this charge and believe that there are no communal windows in your block, please contact us and we will provide you with the location of the window(s). If your property is based under the management of a TMO please contact the TMO office directly, who will provide you with the location of the windows in question

How often are the windows cleaned?

The contract stipulates that communal windows should be cleaned every six to eight weeks and is spot-checked by the Local Estate Services Team Manager or TMO Manager.

The quality or standard of cleaning is poor or the communal windows have not been cleaned?

The service should meet the specified standard which is checked by the Local Estate Services Team Manager or TMO Manager. Please contact us so we can investigate and let you know the outcome. If your property is based under the Management of a TMO please contact the TMO office directly and they will carry out a full investigation on your behalf.

Building Insurance

We have to take out building insurance on your behalf. This is set out in your lease. The most cost-effective way for us to do this is to arrange cover for all leasehold properties with a single insurer. Insurance costs have increased this year; this is due to the fact that there have been an increased number of claims against the policy. The main area of increase has been under claims made for escape of water.

What does the insurance cover? How do I make a claim?

We send you a copy of the insurance policy every year. It covers loss or damage directly caused to the building and shared areas. For a comprehensive list of what is covered by the policy, or to make a claim, please contact the Lambeth Insurance Department at Olive Morris House, 18 Brixton Hill SW2 1RL on 020 7926 9330.

Why do I have to pay this?

The council, as landlord, has a duty to insure the structure of the building and communal areas against loss or damage. Under the terms of your lease you are required to contribute, and pay on demand, your proportion of the council's costs of insuring the building.

Communal TV aerials

Some of our blocks have a communal TV aerial service. The TV aerial service provides a clear TV reception and an aerial socket situated in your living room. The council maintains and repairs these aerials.

I do not use or want this service, can I be refunded?

This aerial is provided to the block in order to provide television reception to your property and must be serviced and maintained by the council. Your lease makes you responsible for paying towards these blocks costs.

Even if you choose not to use the aerial, you are still required to contribute towards the maintenance and servicing costs.

The service is provided but I have poor reception or no aerial socket.

If you are using the service and your TV reception is poor, please contact us and we will investigate.

Lifts

We carry out regular maintenance to lifts each year under a contract. The estimated cost for providing this maintenance has been identified and applied to each block with a lift.

This charge covers the provision of the lift in your block and the contract for regular servicing and callouts. Some lift repairs are charged under general maintenance.

I live on the ground floor, why do I pay?

The lift is a block facility and must be serviced and maintained by the council. Your lease makes you responsible for paying towards all block costs whether your property is situated on the top floor or the ground floor. Even if you do not use the lift you are still required to contribute towards the maintenance and servicing costs. The lift is there for your use when you require it, for example visiting residents on other floors. Similarly, a resident who lives on the top floor would be required to contribute to any garden repairs that occurred to the block, rather than just those residents who live on the ground floor solely contributing.

Where do I report lift breakdowns?

All lift breakdowns should be reported to the Call Centre 020 7926 6700 available 24 hours. Please call with the lift number (located inside the lift), block and estate details. If there is a person trapped inside a lift, they must press the emergency lift button for help and assistance.

Heating and hot water

Communal heating and hot water charges are part of your service charge bill if you are connected to a communal boiler or you are receiving heating or hot water supplied by Lambeth Council.

Disinfestation (Pest Control)

The estimates are based on the costs for carrying out disinfestation treatments to each block, taking into account planned and quarterly maintenance costs drawn up by our Environmental Services team. This is calculated on a block by block basis, using your property rateable value.

This charge is for the treatment and eradication of pests, such as cockroaches, where they affect more than one property.

The service is provided by outside contractors and the council's own work force. Our Public Health and Pest Control Department monitors the service and carries out four quarterly inspections of areas and leave a calling card, where appropriate, at properties that are or have been at risk from pests or received a pest treatment in the previous year.

Why am I paying for this when I do not benefit?

Sometimes pests affect more than one property. If we carry out pest control in the whole block, the cost of the treatment will be shared between all the properties in the block even if your flat has not been treated. This will benefit you as the infestation will not spread to your property.

How can I report a pest problem?

Please call the Service Centre on 020 7926 6700.

Door Entry

The charge for this service covers certain repairs, service and maintenance and are included in your service charge under the heading 'Door Entry'.

CCTV

The charge covers service, maintenance, and monitoring; and is included in your service charge under the heading 'CCTV'.

Concierge

The charge covers the provision of the concierge service to your block. The concierge staff are employed to ensure additional security to your property by preventing unauthorised people from entering the building.

Communal ventilation maintenance

This refers to block ventilation systems. A central fan is mounted, generally, on the roof and provides ventilation to bathrooms and/or kitchens in the flats.

Fire ventilation maintenance

This refers to the automatic smoke ventilation system installed in some of our blocks. The systems open ventilator windows on the enclosed landings.

Communal water quality maintenance

This service covers the maintenance and inspection of communal tanks and water services.

Lightning protection maintenance

This is for the maintenance of the lightning protection equipment.

Boiler repairs and maintenance

This is a charge for those who pay heating and hot water charges and has been created to ensure that leaseholders who have been disconnected from the communal boiler system do not get recharged for the cost of servicing, maintaining and carrying out repairs to the communal systems. The charge covers the cost of repairs to the communal part of the system within individual flats, maintenance and repairs of boilers house equipment and pipe work.

Block external charges

Some blocks are not on estates but often contain an area around the block that receives cleaning and grounds maintenance services as there may be grass or parking areas. If the contractor has provided separate costs we will include them in your estimate.

What is ground rent?

Ground rent is a fee you have to pay to your freeholder as a condition of your lease. It is usually a small amount. Most Right to Buy leaseholders pay £10; however this may be different if you purchased your property at auction.

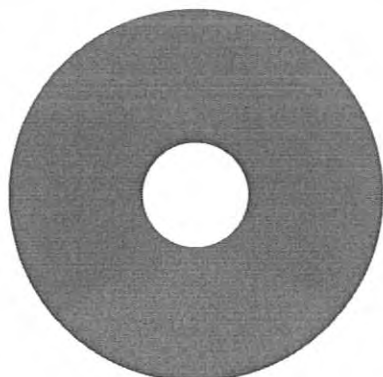
Management charge

This is calculated as 10 per cent of all charges (excluding insurance and ground rent) plus a flat fee, which covers our costs of managing leasehold and estate freehold properties.

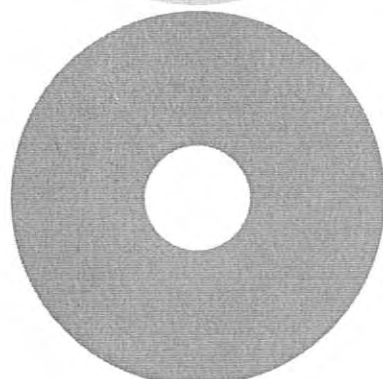
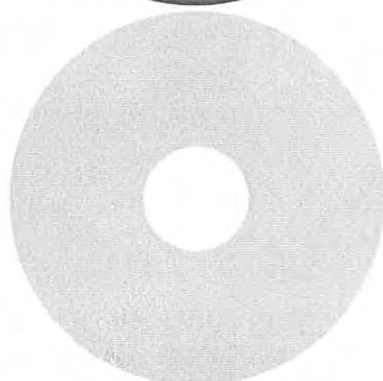
The 10 per cent fee covers the cost of managing the services provided to all residents in a block or on an estate, such as cleaning, grounds maintenance, repairs etc.

The flat fee of £68 covers the cost of services provided exclusively to leaseholders and freeholders on our estates, which cannot be attributed to specific estate or block services.

The charge is for the work of our central teams in dealing with enquiries on lease terms and service charges, managing service charge accounts and attending leaseholder specific meetings.



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Peckham
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18 Pilgrimage Street
Borough
London SE1 4LL
(Monday-Wednesday only)

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Camberwell
London SE5 8RS



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Dear

I enclose an **estimated bill** for your routine service charges and major works for the year 2014/15.

Payment Options

You need to start paying for the routine service charges now but you don't have to pay for the major works costs until two months after the works have started on site. I appreciate that this estimated bill may be high and there are dedicated officers available to speak with you to discuss your options. We offer a range of payment and 'soft loan' options and if you want to find out more or have any concerns please do give us a call. We will also be able to refer you to an independent financial advisor for further help and advice.

The Consultation Process

We have included in your major works estimate all the works likely to be carried out on your block or estate and you will have the opportunity to feedback on the proposed works through the consultation process which includes:

- being invited to 3 meetings
- receiving an initial 'works and options proposal'
- giving you a more accurate estimate of the costs and an explanation of why they are needed

- having a consultation officer dedicated to answering your observations within a set time period
- having a dedicated collections officers advising you about the ways you can pay and the help available

How to get in touch

???

There is more information on the website ???

Regards



Lisa Keating
Head of Home Ownership Services
Lambeth Living

Briefing Note - The Social Landlords Mandatory and Discretionally Reduction of Service Charges (England) Directions 2014

Background

The Department for Communities and Local Government has released the “Social landlords’ reduction of service charges: mandatory and discretionary directions 2014”, which came into force this month (12th August). There is a degree of ambiguity relating to the Directions which the GLA are currently seeking advice on however, we do not feel at this stage that this will change the implementation of this briefing note. This may also explain why there has been a lack of policy briefings published by the CIH or HQN – which is highly unusual.

The [Mandatory Reduction Directions](#) apply to any service charges in relation to works of repair, maintenance and improvement funded wholly or partly with any assistance provided from the “Decent Homes Backlog Funding” provided through the 2013 spending round, or any other assistance provided for the specific purpose of carrying out works of repairs, maintenance or improvement provided by the Secretary of State or the Homes and Communities Agency.

Also released are the [Discretionary Reduction Directions](#). These give a social landlord a power to waive or reduce service charges if exceptional hardship can be demonstrated by the leaseholder, by an amount the landlord considers to be reasonable. Unlike the Mandatory Directions, these powers can be applied ***retrospectively to charges already made and/or to those that have been already paid***. It should be noted that these are discretionary powers – therefore a social landlord has to consider exercising them, but does not have to grant a waiver or reduction to a leaseholder.

Each of the discretionary and mandatory caps limits the amount of service charges that may be recharged to leaseholders in any five-year period to £10,000 outside London or £15,000 in London. It should be noted that the new cap cannot be enforced retrospectively therefore cannot be applied to DH backlog funding that was awarded previously (2011 - 2015).

The new directions are updates to the 1998 directions and extend the sources of central government funding which the Council may receive that will require the Council to cap the amount recharged to leaseholders.

Implications for the local authority

- For Lambeth the cap primarily relates to the Mayor of London’s 2015/16 Decent Homes Backlog Fund programme for local authority landlords. This funding will put each eligible local authority landlord in a position to deal with the maintenance and repair of their stock independently from 2016/17 – the closing date for submissions is in the 19th September 2014 and officers currently in the process of preparing our bid to GLA.

- The regulations will only apply to those lessees, who were leaseholders at the time at which works were funded by the new round of funding awarded by GLA, and repairs funded by any government funding from this point on, were carried out. If there is however a change of leaseholder after the works were implemented then the £15K limit over the five year period will no longer apply (provided no further works or repair maintenance or improvement are carried out under, or partially under, such funding arrangements).
- There is a risk that some leaseholders may assume that these new caps can be applied retrospectively to all works funded by the Decent Homes Backlog funding. We are required through the DH backlog application to confirm the capping process. This will be addressed in communications from Lambeth Living with drafts shared with Leasehold representatives.
- The council, through Lambeth Living is required to recover from leaseholders the appropriate share of costs that have been incurred on repairs and improvements to properties / estates as set out in their lease. The current Discretionary Directions as they stand are not prescriptive and do not set out what defines exceptional hardship, however the repayment options recently considered by Cabinet take account of hardship, without the need to reduce bills.



To Current Leaseholder(s)

Our ref: 607914

Your ref: S20|M|C|IE|03|AY|1314|

30 June 2014

Notice of Intention to carry out works under a long-term agreement

Section 20 of the Landlord & Tenant Act 1985 (as amended by section 151 of the Commonhold & Leasehold Reform Act 2002) and Schedule 3 (Regulation 7(1) & (2) of the Service Charges (Consultation Requirements) Regulations 2003

**Renewal of roof covering & rainwater goods, renewal of water tanks and loft space lighting, repoint brickwork; removal of asbestos materials (provisional)
at SHORE HOUSE 1-71
Scheme S20|M|C|IE|03|AY|1314|**

Dear Lessee(s)

Lambeth Living acting on behalf of your landlord, the London Borough of Lambeth, are notifying you of our intention to carry out qualifying works under an existing long term agreement (see Note 1 below) in respect of which we are required to consult lessees.

The Schedule 3 Section 20 Regulations requires Lambeth Living in this Notice to:-

- (a) Describe the qualifying works to be undertaken.
- (b) State why the qualifying works are necessary.
- (c) Contain a statement of the total amount of estimated expenditure likely to be incurred in carrying out the proposed works.
- (d) Invite written observations on the proposed works and/or the total estimated expenditure during a 30 day consultation period.

Schedule 3 also requires Lambeth Living to have regard to any observations made and to respond in writing within 21 days of receipt.

Please note that this is **not a bill**, it is a statutory notice. You should also keep these documents in a safe place. If you sell your home they should be passed on to your solicitor.

Statement of total estimated block expenditure:

The total amount of estimated scheme expenditure likely to be incurred in respect of the proposed qualifying works is:-

Contractor Name	Estimate Contract Cost	Block Name
Morrison	£334,336.00	SHORE HOUSE 1-71

This is a Notice of works that will affect the block that your property forms part of and you will be required to contribute towards the cost. The contribution you are estimated to make is based on the total block cost and a breakdown of what this means for you is shown at Appendix A.

I enclose copy estimates submitted by Morrison who are our long term contractors at Appendix B.

Reasons why we intend to carry out the work

We consider it necessary to carry out the Works as: The works are programmed under the capital works and the following items identified requiring renewal following initial survey. The roof has exceeded its life span and in poor condition. The water tanks and rainwater goods also found to be in poor condition and would not be cost effective to repair and maintain. The loft space lighting is faulty. Allowing for brickwork repointing and asbestos removal, if required.

Description of work

In outline the elements of this work are as follows:

Renewal of roof covering & rainwater goods, renewal of water tanks and loft space lighting, repoint brickwork; removal of asbestos materials (provisional)

Details of the estimates for the Works will be made available and can be inspected at Chartwell Building, 2nd Floor, Chartwell Business Park, 65 Paulet Road, London SE5 9HW during normal working hours which are between 9am and 5pm Monday to Friday (excluding Bank Holidays). If you want to do so, please call my colleague, Prince Kamanda to make an appointment on 0207 926 8339.

Making observations

I invite you to make observations in writing on the estimates, which should be sent to Claudine Thompsen at 2nd Floor, Hambrook House, Porden Road, London, SW2 5RW within the relevant period as specified below.

No comments made over the telephone will be treated as an observation

The Relevant Period

Observations must be made within the relevant period of 30 days from the date of this notice. The relevant period will end on **1 August 2014** and must be delivered within that period at the address specified above.

In the meantime, if you want more information about this project, please contact Prince Kamanda. You can call on 0207 926 8339 or write to the address shown above

Yours sincerely

Claudine Thompsen
Major Works Co-ordinator
Lambeth Living Ltd
Direct Line: 0207 926 3741
Email: csthompson@lambethliving.org.uk
S20majorworks@lambeth.gov.uk

Note 1

These works are being carried out under a long term agreement which we consulted leaseholders about in proposal notices dated on 6 August 2010 and 29 October 2010.

Appendix A

Statement of Total Estimated Block Expenditure

Scheme: S20|M|C|IE|03|AY|1314|

Date: 30 June 2014

PROPERTY ADDRESS:

The total amount of estimated scheme expenditure likely to be incurred in respect of the proposed qualifying works is:-

Estimated Contract costs of the works	£334,336.00
Estimated chargeable works cost to building	£334,336.00
Plus Preliminary	£55,260.00
Plus Contract Professional Fees	£24,271.51
Total estimated chargeable cost of the works	£413,867.51
Rateable Proportion (1)	1.47%
Percentage of the estimated total cost of the work	£6,096.53
Management Fee	£382.25
Estimated contribution	£6,478.79

(1) Rateable Proportion = Flat Rateable value divide by Block Rateable value multiplied by 100 = $245 / 16632 \times 100$.

Quick Reference for Leaseholder Consultation under 'The Service Charges (Consultation Requirements) (England) Regulations 2003'

Schedule Number	Type of Contract	Notices Required	Period to be allowed	What to include
Schedule 1 No Public Notice	Qualifying Long Term Agreement (QLTA)	Notice of Intention (NOI)	30 days	<ol style="list-style-type: none"> 1. Description of relevant matters or where to inspect. 2. Reason for agreement/ works 3. Invite observations 4. Name and address for responses 5. State 30 days allowed 6. State final date for end of consultation 7. Invitation to nominate 8. Landlord must have regard to observations.
		Notice of Estimates (NOE)	30 days	<ol style="list-style-type: none"> 1. At least two estimates (inc. an estimate from nominated contractor and one from unconnected) 2. Identify any connection between landlord and a contractor 3. Estimated charge, total cost, unit costs or rates 4. Statement of Managing Agent 5. Provision for price changes 6. Duration of contract/ agreement 7. Summary of observations and responses to NOI 8. Invite observations 9. State 30 days allowed 10. State final date for end of consultation 11. Landlord must have regard to observations
		Notice of Award (NOA)	Within 21 days of awarding contract	<ol style="list-style-type: none"> 1. Reason of entering agreement/ contract 2. Summary of observations and responses <p>This notice is not required if appointing the lowest tender or a nominated contractor.</p>

Schedule 2 With Public Notice (OJEU)	Qualifying Long Term Agreement (QLTA)	Notice of Intention (NOI)	30 days	<ol style="list-style-type: none"> 1. Description of relevant matters or where to inspect. 2. Reason for agreement/ works 3. Statement regarding the publishing of the Public Notice (OJEU) 4. Invite observations 5. Name and address for responses 6. State 30 days allowed 7. State final date for end of consultation. 8. Landlord must have regard to observations.
		Notice of Proposal	30 days	<ol style="list-style-type: none"> 1. Name and address of parties to LTA 2. Declare any connection to landlord 3. Estimated leaseholder's contribution or total cost/ unit cost/ hourly rate/ daily rate 4. Duration of LTA 5. A copy of proposal or state reasonable inspection arrangements 6. Summary of observations and responses from NOI 7. Invite observations 8. State 30 days allowed 9. State final date for end of consultation.
		Response to observations	Within 21 days of receipt	<ol style="list-style-type: none"> 1. Landlord must have regard to observations 2. Response to be given to each respondent within 21 days of receipt of observations.

Schedule 3	Works under Qualifying Long Term Agreement (QLTA)	Notice of Intention (NOI)	30 days	<ol style="list-style-type: none"> 1. Description of relevant matters/ works or where to inspect. 2. Reason for works 3. Statement of estimated expenditure 4. Invite observations 5. Name and address for responses 6. State 30 days allowed 7. State final date for end of consultation 8. Landlord must have regard to observations 9. <i>Good practice</i> – Cross reference Sch 3 notice to Sch 2 consultation (they may be years apart).
		Response to observations	Within 21 days of receipt	<ol style="list-style-type: none"> 1. Response to be given to each respondent within 21 days of receipt of observations.

Schedule 4 Part 1 With Public Notice (OJEU)	Works not under a QLTA	Notice of Intention (NOI)	30 days	<ol style="list-style-type: none"> 1. Description of relevant matters or where to inspect. 2. Reason for works 3. Statement regarding the publishing of the Public Notice (OJEU) 4. Invite observations 5. Name and address for responses 6. State 30 days allowed 7. State final date for end of consultation 8. Landlord must have regard to observations.
		Notice of Proposal	30 days	<ol style="list-style-type: none"> 1. Name and address of parties to LTA 2. Declare any connection to landlord 3. Estimated leaseholder's contribution or total cost/ unit cost/ hourly rate/ daily rate 4. A copy of proposal or state reasonable inspection arrangements 5. Invite observations 6. State 30 days allowed 7. State final date for end of consultation 8. Does not state 'have regard'.
		Response to observations	Within 21 days of receipt	<ol style="list-style-type: none"> 1. Response to be given to each respondent within 21 days of receipt of observations.

Schedule 4 Part 2 No Public Notice	Works not under a QLTA	Notice of Intention (NOI)	30 days	<ol style="list-style-type: none"> 1. Description of relevant matters or where to inspect. 2. Reason for works 3. Invite observations 4. Name and address for responses 5. State 30 days allowed 6. State final date for end of consultation 7. Invitation to nominate 8. Landlord must have regard to observations.
		Notice of Estimates (NOE)	30 days	<ol style="list-style-type: none"> 1. At least two estimates (inc. any estimates from nominated contractor and one unconnected) 2. A copy of proposal or state reasonable inspection arrangements 3. Identify any connection between landlord and a contractor 4. Statement of estimates 5. Invite observations 6. State 30 days allowed 7. State final date for end of consultation 8. Landlord must have regard to the observations.
		Notice of Award (NOA)	Within 21 days of awarding contract	<ol style="list-style-type: none"> 1. Reason of entering agreement/ contract 2. Summary of observations and responses. <p>This notice is not required if appointing the lowest tender or a nominated contractor.</p>

Summary Estimated Service Charges and Major Works for 1 April 2014 – 31 March 2015

Reference number: PROP REF		Address: ADDRESS_LINE_1, ADDRESS_LINE_2, ADDRESS_LINE_6	
Date: DATE		Estate name: Estate Name	
Block Rateable Value: Block RV			
Dwelling Rateable Value :	Property RV	Estate Rateable Value:	Estate RV
Estimated Routine service charges			TOTAL
Estimated Major Works service charges			TOTAL_LEASEHOLD ER_CONTRIBUTION
Total due for payment			TOTAL_DUE_FOR_P AYMENT
<p>Your landlord's address for serving notices is:</p> <p>The Mayor and Burgesses of Lambeth London Borough of Lambeth Town Hall, Brixton Hill London, SW2 1RW</p> <p>(Section 48 of the Landlord and Tenant Act 1985 as amended)</p>			
<p>Note 1. RV stands for rateable value. Your lease requires Lambeth Living to apportion service charges using the rateable value. Rateable values are used to calculate unmetered charges (for water) or service charges (council housing stock). The values were assessed between 1973 and 1990 by the Valuation Office of the Inland Revenue and were loosely based on the annual rental value of a property. A number of factors were taken into account by the Valuation Office when assessing the potential annual rental value. These included the size of the property and plot, general condition and availability of local services. There are currently no details on why similar properties in the same street may have slightly different values.</p>			

Supporting Statement 4 –London Borough Lambeth

Capping leaseholder charges

A) Included within spread sheet submission.

We are currently consulting on the appropriate wording to alert leaseholders to both the existence of the cap and the circumstances in which it will apply. This will affect both letters and our website. Specific sections then of the consultation letters will address how the cap will or will not affect the proposed works and charges being consulted on. If appropriate, the letter would go on to detail the specifics of how the funding will be made up.

B) How will the council fund the extra costs on each estate, if the £15K cap is lower than the estimated works cot for resident leaseholders?

Lambeth do not expect to hit this cap through this bid. As set out in A above, consultation with resident leaseholders is underway. Attached is the Briefing Note to be sent out to members of the leasehold council following approval by the Leasehold Council Chair.

C) What help financial or otherwise will the council be giving to all affected leaseholders, as loans or deferred payment arrangements? The expectation would be that a minimum of 2 years deferred interest free payment would be available.

The Council has agreed revised repayment options, which focus on the option which best suits the leaseholders individual financial circumstances. Options include allowing leaseholders to pay over two years interest free provided they agree to make equal monthly payments by direct debit. In addition leaseholders who can produce evidence of hardship can be allowed up to 10 years to clear their bills, the first two years being interest free. There is also the option to recover the costs at some time in the future when the property is sold. The leaseholder will have to enter a voluntary agreement for the Council to put a charge on their property to protect its debt.

D) Please provide a sample of the council's documentation showing how the estimated charges are explained to leaseholders. This will include; alerting resident leaseholders to the cap, description of works. A breakdown of charges for the main elements off the works, overheads, contingency, dispute protocols and how any savings are distributed too leaseholders where profit sharing arrangements exist.

The attachments include:

- A flow chart in five parts (Consultation flow charts for Schedules 1 – 4LL) which sets out the stages and outputs of the leaseholder consultation process.
- A template setting out major works charges (Estimated major works table) into which project-specific costs are entered.
- A template setting out routine service charges (Routine service charges table) into which block specific costs are entered.
- A typical estimated services charges letter (Estimated service charges letter) setting out to the leaseholder their rights and responsibilities, costs and payment mechanisms.
- A template setting out the interim billing situation (Interim Bill template).
- A typical Notice of Intent setting out the initial information about a project and starting the consultation process (Notice of Intent).
- A reference document given to leaseholders to set out the meaning of acronyms, a brief explanation of the stages and information and timescales (Quick reference for leaseholder consultation).
- A template for interim billing information (Summary Estimated Service charges and major works).
- A guide to service charges issued to leaseholders (Useful information).

E) Confirm commitment to publish procurement strategy.

Lambeth confirm that they are committed to publishing the procurement strategy.

Please email responses to DecentHomes115-16@london.gov.uk email title should read '@Supporting Statement 4' and name of Local Authority.



Service Charge Information 2014/15

The annual estimated service charge

The service charge year runs from 1 April 2014 to 31 March 2015. Each financial year, we send you an estimate of your service charges which shows your share of the costs of providing services, day-to-day maintenance and repairs to your block or estate.

Our aim is to make the estimated charges as close as possible to the actual costs. The estimated charges are calculated by taking into consideration a number of different factors including the costs in previous certified accounts, assessing the letting of new contracts, existing contracts prices, the annual rate of inflation and taking into account any extraordinary factors if applicable.

At the end of the financial year we will prepare our final accounts. These certified accounts outline what was actually spent on providing the services to your block and your estate. This will be sent to you in October 2015 as the certified summary for 2014/15.

Our service

We often receive a high volume of calls and letters after we send out the estimated service charge account information. This puts considerable pressure on our service. In order to assist you we have answered some frequently asked questions that you may have regarding the estimated service charges.

During this period of high volume of enquiries, we may not be able to deliver our full written replies to you within our standard 10 working day turnaround policy. However, to ensure that you get high quality replies, we will acknowledge receipt of your enquiry within three working days and tell you who will be dealing with your enquiry. If we are not able to provide a full reply we will send you a partial reply within 10 working days and tell you when we will be able to provide you with a full reply.

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Service Charge Information

This guide explains the payment options for major works, when you need to pay your invoice, and other information that may help you when works are carried out.

Content

This guide contains:

1. Introduction
2. Estimated Invoice
3. Help for those in financial hardship
4. Deferring Payment with a charge on the Property
5. Other options you might consider
6. Final Account
7. Help and Advice
8. Contacting Us
9. Insurance Claim and Subsidence

1: Introduction

From time-to-time we have to carry out major works on your estate or block. We do this to keep it in good condition. Examples of major works include:

- Replacing the roof
- Installing double glazing
- Painting the outside or shared parts of the building
- Replacing the communal electrical mains (rising and lateral mains).
- Lift replacement
- Door entry system replacement
- Water tank replacement
- Replacement of communal heating boilers and pipe work

Consulting you

For larger projects we will arrange a series of meetings for all residents. The first meeting is before works start and the contractor will be present. Depending on the size of the project there will be progress meetings held during the period the works are on site and residents will be updated with newsletters. We also carry out formal statutory consultation where costs to individual leaseholders exceed £250. This is called "Section 20 consultation". We will issue a Section 20 notice to all leaseholders. This will contain details of what we will do and the kind of costs involved. You should keep this notice and if you sell your home it must be passed on to your solicitor.

2: Estimated Invoice

Where costs are available we will issue an estimated invoice for any planned maintenance or major works projects expected to happen during the financial year. This will provide an estimate of the proposed work and should allow you to plan ahead. Please note that this excludes any works that have already been included in previous estimates.

You are required to pay this sum in accordance with the terms and dates stipulated in your lease. We understand that not everyone will find it easy to pay for major works so there are some ways to make it easier to pay.

Unlike your day to day service charges, which are due in monthly instalments, as soon as you get your invoice, major works costs may be spread over a much longer period.

We will include all works we are aware of, however we may have to issue invoices at a later date but you will still be entitled to all of the payment options. You should tell us if you think you may have difficulty paying the invoice at the earliest opportunity. We can then give you help and advice, specific to your needs to avoid difficulties at a later date.

3: Help For those in Financial Hardship

Assessing individual cases

If a major works invoice is causing hardship, we will carry out an individual assessment. The Council does consider financial hardship when collecting debts owed.

Based on our findings, we will make a decision as to whether we can extend the payment period, which will help to reduce the monthly payments.

In order to establish the best option for you, we will invite you for a one-to-one meeting where you would provide proof of the following:

- A refusal letter to obtain a loan for the major works from a building society or bank.
- Your claim to the DWP for help with the major works invoice
- That the property is your only and principal home.
- Income and outgoings by completing a financial statement for everyone who owns the property or over the age of 18 and resident in the property.
- We will ask you to provide details of any other circumstances that may be relevant.

A financial assessment gives us a clear picture of an individual's disposable income and from that we can advise on the best payment option. When assessing someone's ability to repay a loan, we will look at their priority debts such as monthly mortgage repayments.

After the assessment meeting we will write to you and advise you on:

- A payment plan along with any agreed extension of the payment period.
- Suggestion of any other agencies that might be able to help with any benefit claims.
- Agreement of time frames to allow for any loan applications or benefit claims.

You will be asked to sign and return the plan we have agreed.

4: Deferring Payment with a charge on the Property

We may agree to deferring payment if a charge is put against your property once a financial assessment has been carried out. Homeownership Services will complete a report and make a recommendation to the Director of Finance.

This option is available primarily to those households where the leaseholder is over 60, disabled and can show that there is insufficient income coming into the household in order to meet the costs of the works.

Repayments are not expected, but interest will be added at prevailing rates, so it is recommended payments are made where possible. This option would place a charge on the property so that the Council would effectively own a proportion of the property. The Council would therefore only access funding to repay the charge if the property is sold or passes between owners. There must be sufficient equity in the property to place the charge.

What is meant by putting a charge on the property?

We get our solicitors to register the loan at the Land Registry. This means that the loan must be repaid if the property is sold.

How is a charge removed from the property?

When the loan is re-paid we will instruct Land Registry to remove the charge from the property.

5: Other Options You Might Consider

There are other options available to leaseholders who will be charged for major works. These options are not provided or administered by Lambeth Living or the London Borough of Lambeth. You should always get independent financial advice before you sign any financial agreement.

A. Savings accounts

You can save towards the cost of any major work by setting up a bank or building society account, or a National Savings account. You can then regularly put aside as much money as you can afford, so that when you get the invoice you will have some money to help you pay. Also, you could be getting interest on the money you save.

B. Claiming benefits

If you are on Income Support, you may be able to get help with the cost of major works done to your property. You should contact your benefits agency who can tell you how to claim. You must apply as soon as you get the invoice or you will not be entitled to any benefit.

C. Extending your mortgage

You will need to speak to your mortgage lender about this. Your lender is likely to be able to offer you a better interest rate than the council can offer you.

D. Personal loans

You can apply to your bank or building society for a personal 'unsecured' loan to cover the cost of your invoice. An unsecured loan does not involve a mortgage, so your home is not directly at risk if you do not keep up the payments. However, the interest charges are normally much higher than for a mortgage.

E. Equity release schemes

These schemes are offered by a number of different financial organisations and the packages they offer can vary significantly. There are a number of different equity-release schemes and they are

generally open to older homeowners. These schemes are designed to free up cash based on the equity in your home.

6: Final Account

When works are complete we receive a final account and can provide you with a detailed breakdown and invoice for each block and you can ask to see the contract documents.

The invoice will show the difference between the estimate and final account. If you have not taken up one of the instalment options you will need to pay the final account sum in full.

In cases where the final account is the first invoice and you have not received an invoice previously for the scheme all payment options will be available for you to consider.

If you pay by instalments you will need to adjust the monthly payments, if there is any change in the costs. For larger schemes we will arrange a one-to-one surgery where you can ask questions about your invoice.

7: Help and Advice Available

Lambeth Living is unable to provide independent financial advice. Please check Lambeth Council's website for details at: www.lambeth.gov.uk.

You will have to decide which option is most beneficial to you. The Citizens' Advice Bureau is the largest provider of free impartial and holistic debt and money advice in the UK. For your nearest bureau see your local phone book or visit: www.citizensadvice.org.uk

The London Borough of Lambeth is running the campaign 'Every Pound Counts' which offers a free benefits check and advice to ensure you claim your full benefits entitlement. To find out more, or to ask for an appointment, phone 020 7926 5555, Monday to Friday, 9am to 5pm or visit: <http://www.lambeth.gov.uk/Services/AdviceBenefits/Benefits/BenefitsAdvice>

Help from the Department of Work and Pensions (DWP)

You will need to phone the DWP to tell them about the changes in your housing costs and send a detailed schedule of the service charge costs for the major works with a covering letter asking for your benefit to be reassessed in view of the changes to your housing costs.

The Leasehold Advisory Service (LEASE)

LEASE provides free independent advice on residential leasehold law at:

149 Tottenham Court Road, London W1T 7BN
Phone: 020 7374 5380, 0845 345 1993 (low call)
Fax: 020 7383 9849
Email: info@lease-advice.org.uk
Website: www.lease-advice.org.uk

Opening times - Monday to Friday 9.30 am to 5.00 pm (phone first to make an appointment).

London Mutual Credit Union

This organisation is supported by Lambeth Council and offers current accounts and loans, helping those who may have difficulty setting up bank accounts. The organisation offers loans with no hidden costs, affordable rates, and free life insurance. Their contact details are:

Brixton Branch
10 Acre Lane
Brixton
London SW2 5SG
Website: www.creditunion.co.uk

8: Contacting Us

If you have any questions relating to major works consultations, invoicing and payment options please contact the **Collections Team** by one of the following methods:

Telephone:	020 7926 6700
Post:	Major Works Collections Team Lambeth Living, Home Ownership Services, 2 nd Floor Hambrook House, Porden Road, London, SW2 5RW
Email:	DL_LL-MajorWorksCollections@lambeth.gov.uk

9: Insurance Claims and Subsidence

This note should be read in conjunction with the main policy booklet which details all the insured risks and explains what is covered by the insurance policy.

Subsidence claims relating to the structure and common parts of the building sometimes occur. In these cases:

- Your buildings insurance policy will cover the cost.
- You will have to submit a claim to the insurer.

Leaseholders are expected to contact the insurers as soon as possible and full particulars and evidence of a claim should be submitted within 90 days.

In cases where there may be damage to the structure of the building through subsidence, ground heave or landslip it may not always be evident that there is a problem. Cracking for instance may not appear immediately in a top floor flat.

In order to mitigate the risk of a claim being made outside the 90 day period and being turned down by the insurers, Lambeth Living will take the following steps.

Step 1

- Where it is believed that there is damage caused by one of the insured perils our Responsive Repair Team will contact the insurers NIG (Arthur J Gallagher) directly on 0800 0510233 or by email at socialhousing@nig-uk.com quoting the policy number 5884011, and advise them that there is an incident. A note will be placed on their records stating that they are waiting for the claim to materialise. Everyone will then be within the relevant policy timescales.
- Each area team will maintain a log of cases for their area and update Home Ownership Services of any new cases.

Step 2

The team will notify leaseholders in writing, giving details of the incident.

Step 3

Leaseholders should contact the insurer and advise of their details along with information about any damage to the internal areas of their property such as cracking plaster.

Step 4

- Subject to authorisation from the insurers works will be carried out.
- Any Section 20 breakdowns will identify works covered by the insurance.
- It should be noted that in cases of subsidence there is sometimes quite a long monitoring period before works are carried out.

Step 5

Home Ownership Services will issue bills for the work. In subsidence cases there is a £1,000 excess. Leaseholders should submit their bill to the insurer directly and the insurer will make payment less any excess. In cases where there is also internal damage the insurer will also deal with your claim. A contractor will be appointed by the building insurance loss adjusters, who will chose from among their panel of contractors.

What happens if the insurance company turns down the claim?

If the insurance company turns down the claim all details and the letter explaining the reason for their decision should be sent to Lambeth Council's Risk and Insurance team. Please contact the team on 0207 926 9330 or email: riskandinsurance@lambeth.gov.uk

The Risk and Insurance team will liaise with the insurer, to challenge any areas of concern and to find out why the claim has been rejected.

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Frequently asked questions:

What are service charges?

Service charges are your share of the cost of managing, maintaining, repairing, insuring and providing services to the block or estate in which you live.

Service charges include items such as: cleaning, concierge, ground maintenance, repair and maintenance works, building insurance, pest control, heating, hot water (when supplied by the council) management costs and any other running costs to your block or estate. These charges are due to the landlord (London Borough of Lambeth) under the terms of your lease or transfer document.

What does my service charge cover?

The services you receive can vary according to where you live and the type of property you own. For example, if you live in a tower block with a lift on an estate, you receive more services than if you lived in a flat in a street property or low-rise block without a lift. The services you receive are shown on the service charge estimate. A list of the services that are provided by the council is also detailed below, together with an explanation of how we apportion the costs.

Why do I have to pay in advance for this service?

The terms of your lease state that you must pay in advance and we provide you with a yearly estimate to enable you to pay on a monthly basis.

When will I know the actual costs for the year?

By the end of October 2014, we will send you a certified summary outlining a breakdown of the actual costs for providing each service for the previous financial year. This includes a list of the repairs we have carried out to the communal areas of a particular block. If your property is located on an estate, we summarise the general repairs that have occurred on the estate.

If we have over-estimated the service charges, you will receive a credit on your account which you may claim back as a refund or leave on your account to assist in offsetting future monthly service charges. If we have under-estimated the charges, we will send you a letter detailing the outstanding balance, which you should pay within 28 days. If you are unable to do so, you must contact our Service Charge Collection team immediately upon receipt of the letter to discuss further payment options. The contact number for the Service Charge Collections Team can be found on the page titled "How to pay your service charges".

What is the difference between block and estate service charges?

Your block or estate are defined in your lease or transfer document.

Where we provide services or carry out work to the communal parts of a building, such as a lift, a block charge is made. All properties within your building will bear a share of these costs.

Where we provide a service or carry out work to the communal parts of an estate, such as maintaining grassed areas, an estate charge is made. All the properties on the estate as defined in your lease or transfer will bear a share of these costs.

Why have my estimated service charges gone up this year?

In most cases, the increase in service charges will be due to inflation or a change in contractors during the course of the year.

How are the service charges calculated? Why am I paying more service charges than my neighbour?

The method for charging service charges is set out in your lease or transfer document. Depending on the work or service provided, the cost is shared across the building or estate (if applicable) based on the rateable value (RV) of your property compared to the rateable value of all flats benefiting from the service or work. The Inland Revenue is responsible for establishing the rateable values of your property, not the London Borough of Lambeth. Rateable values depend on many factors, including property size and number of rooms. Usually the larger the property, the higher the rateable value and, in turn, the amount charged.

It is possible for identical properties to have different rateable values. In this way different properties, even within the same building, can have different charges.

Equally, two similar properties in different blocks may have the same rateable value. If different works or services are provided to the individual blocks then the amount charged for service charge is different.

For example where:

X = block cost of service, Y = estate cost of service

BRV = block rateable value, ERV = estate rateable value, PRV = property rateable value

For block service charge the calculation is:

$X / BRV * PRV = \text{your contribution}$

$£500 / 350 * 140 = £200$

For estate service charge the calculation is:

$Y / ERV * PRV = \text{your contribution (only applicable to properties on an estate)}$

$£3000 / 6225 * 140 = £67.47$

Communal (block) or estate electricity

This is the communal electricity supplied for the shared facilities in the block or on the estate. It includes the cost of the electricity needed for the lifts, lighting in the communal areas or throughout an estate, replacing light bulbs and renting meters from the electricity supplier.

Why have I been charged for this twice?

You have not been charged twice for the same service. If you live in a flat on an estate, there are two electricity charges: a block charge to cover the cost of electricity to the communal areas of your block and an estate charge for supplying electricity to the communal lighting on shared areas across the estate.

Repairs (general maintenance)

Your landlord cannot know the exact amount that will be spent on repairs in the coming year as it is impossible to know what items of repair or maintenance will be required over a 12 month period. However we base the estimated maintenance charges on the average amount spent in the previous financial year plus inflation. In the certified summaries at the end of the financial year, we will provide you with a list of the actual repairs that were carried out to your block or estate and you will only have to pay towards these repairs.

What are block repairs and maintenance charges?

An estimated cost of repairs carried out to the structure of the building in which your property is situated, including shared or communal areas and repairs to the lift. Please note the general maintenance block service charge does not include any repairs done inside leaseholders' or tenants' properties. Nor does it include any structural or communal repairs to any other building on your estate.

What are estate repairs and maintenance charges?

This is the estimated cost of the repairs that may occur on the estate in which your property is situated. This includes shared parts, estate roads, lighting columns, and footpaths which would be shown in the estate general maintenance section.

Estate or block cleaning

Each year contractors' costs are increased in line with the contract terms. The estimates are, therefore, based on the actual costs of the service to be provided.

The council has an obligation to ensure that the communal areas (e.g. landings, stairs, pathways, grassed areas, bin chambers, rubbish chutes etc.) are clean. Each block or estate has its own cleaning schedule which generally includes sweeping, mopping and litter picking throughout the communal parts.

We undertake a deep clean of communal stairwells, landings and rubbish chutes periodically. The cleaning charge also includes graffiti removal and cleaning of any lifts.

How often is the cleaning done?

As a rule, the cleaning of individual blocks is carried out twice a week and estate areas are cleaned on a daily basis. The frequency varies depending on the size of the block or estate. If you would like details of the cleaning schedule for your block or estate please call us.

Who monitors the cleaning service?

Cleaning is monitored by the Estate Services Team Manager or TMO office.

Does cleaning include bulk rubbish clearance?

For estates the cleaning charges for day-to-day cleaning includes the removal of bulk rubbish such as sofas or washing machines.

The quality or standard of cleaning is poor?

The cleaning should meet a specified standard, which is checked by the Local Estate Services Team Manager or TMO office. If the service is currently poor, please contact us and we will investigate the problem and let you know the outcome. If your property is based under the management of a TMO please contact the TMO office directly to discuss your concerns with the cleaning service.

Grounds maintenance

The amount that we have estimated as your contribution to this service is calculated using the contractors' costs and the rateable value of properties benefiting from the service. This method of sharing the cost is set out in your lease.

We employ a contractor to cut the grass, look after trees, shrubs and flowerbeds in the shared areas of estates and blocks. Generally, grassed areas should be cut every six weeks. Details of the schedule are posted on the entrance hallway of your building. If you require further clarification please contact us. If your property is based under the management of a TMO please contact the TMO office directly to discuss your concerns with the ground maintenance service.

I don't use the communal gardens, why should I pay?

The communal gardens are for all residents to use. Under the terms of your lease, the council must maintain them on behalf of all residents. You are, therefore, charged a proportion of the cost of this maintenance.

The grass has not been cut in over six weeks.

Bad weather conditions can make it hazardous for the contractor to cut the grass as scheduled. If this happens, the contractor will cut the grass as soon as weather conditions improve.

The grass has not been cut properly or I do not receive the service.

Please contact us, we will investigate with the Local Estate Services Team Manager and let you know the outcome. If your property is based under the management of a TMO please contact the TMO office directly to discuss your concerns with the ground maintenance service.

I am a freeholder, why must I pay?

If your property is on an estate, your transfer document will specify whether you should contribute to the costs of maintaining the estate. Please check your Transfer Document. If you do not have a Transfer Document please contact your mortgage provider or Land Registry Direct to obtain a copy.

Communal window cleaning

The method of applying charges for this service depends on contractors' costs and in-house staff. The estimated amount you have been asked to contribute is calculated using your property's rateable value. A contractor is employed to clean the outside of communal windows, up to the third floor of your block, and the inside of all communal windows within a block. Please note this does not include cleaning the windows of your individual property.

There are no communal windows in my block, why am I paying for this service?

If there are no communal windows you will not have to pay for this service. We undertook an audit of all communal window cleaning within the borough and have updated our records. If you receive this charge and believe that there are no communal windows in your block, please contact us and we will provide you with the location of the window(s). If your property is based under the management of a TMO please contact the TMO office directly, who will provide you with the location of the windows in question

How often are the windows cleaned?

The contract stipulates that communal windows should be cleaned every six to eight weeks and is spot-checked by the Local Estate Services Team Manager or TMO Manager.

The quality or standard of cleaning is poor or the communal windows have not been cleaned?

The service should meet the specified standard which is checked by the Local Estate Services Team Manager or TMO Manager. Please contact us so we can investigate and let you know the outcome. If your property is based under the Management of a TMO please contact the TMO office directly and they will carry out a full investigation on your behalf.

Building Insurance

We have to take out building insurance on your behalf. This is set out in your lease. The most cost-effective way for us to do this is to arrange cover for all leasehold properties with a single insurer. Insurance costs have increased this year; this is due to the fact that there have been an increased number of claims against the policy. The main area of increase has been under claims made for escape of water.

What does the insurance cover? How do I make a claim?

We send you a copy of the insurance policy every year. It covers loss or damage directly caused to the building and shared areas. For a comprehensive list of what is covered by the policy, or to make a claim, please contact the Lambeth Insurance Department at Olive Morris House, 18 Brixton Hill SW2 1RL on 020 7926 9330.

Why do I have to pay this?

The council, as landlord, has a duty to insure the structure of the building and communal areas against loss or damage. Under the terms of your lease you are required to contribute, and pay on demand, your proportion of the council's costs of insuring the building.

Communal TV aerials

Some of our blocks have a communal TV aerial service. The TV aerial service provides a clear TV reception and an aerial socket situated in your living room. The council maintains and repairs these aerials.

I do not use or want this service, can I be refunded?

This aerial is provided to the block in order to provide television reception to your property and must be serviced and maintained by the council. Your lease makes you responsible for paying towards these blocks costs.

Even if you choose not to use the aerial, you are still required to contribute towards the maintenance and servicing costs.

The service is provided but I have poor reception or no aerial socket.

If you are using the service and your TV reception is poor, please contact us and we will investigate.

Lifts

We carry out regular maintenance to lifts each year under a contract. The estimated cost for providing this maintenance has been identified and applied to each block with a lift.

This charge covers the provision of the lift in your block and the contract for regular servicing and callouts. Some lift repairs are charged under general maintenance.

I live on the ground floor, why do I pay?

The lift is a block facility and must be serviced and maintained by the council. Your lease makes you responsible for paying towards all block costs whether your property is situated on the top floor or the ground floor. Even if you do not use the lift you are still required to contribute towards the maintenance and servicing costs. The lift is there for your use when you require it, for example visiting residents on other floors. Similarly, a resident who lives on the top floor would be required to contribute to any garden repairs that occurred to the block, rather than just those residents who live on the ground floor solely contributing.

Where do I report lift breakdowns?

All lift breakdowns should be reported to the Call Centre 020 7926 6700 available 24 hours. Please call with the lift number (located inside the lift), block and estate details. If there is a person trapped inside a lift, they must press the emergency lift button for help and assistance.

Heating and hot water

Communal heating and hot water charges are part of your service charge bill if you are connected to a communal boiler or you are receiving heating or hot water supplied by Lambeth Council.

Disinfestation (Pest Control)

The estimates are based on the costs for carrying out disinfestation treatments to each block, taking into account planned and quarterly maintenance costs drawn up by our Environmental Services team. This is calculated on a block by block basis, using your property rateable value.

This charge is for the treatment and eradication of pests, such as cockroaches, where they affect more than one property.

The service is provided by outside contractors and the council's own work force. Our Public Health and Pest Control Department monitors the service and carries out four quarterly inspections of areas and leave a calling card, where appropriate, at properties that are or have been at risk from pests or received a pest treatment in the previous year.

Why am I paying for this when I do not benefit?

Sometimes pests affect more than one property. If we carry out pest control in the whole block, the cost of the treatment will be shared between all the properties in the block even if your flat has not been treated. This will benefit you as the infestation will not spread to your property.

How can I report a pest problem?

Please call the Service Centre on 020 7926 6700.

Door Entry

The charge for this service covers certain repairs, service and maintenance and are included in your service charge under the heading 'Door Entry'.

CCTV

The charge covers service, maintenance, and monitoring; and is included in your service charge under the heading 'CCTV'.

Concierge

The charge covers the provision of the concierge service to your block. The concierge staff are employed to ensure additional security to your property by preventing unauthorised people from entering the building.

Communal ventilation maintenance

This refers to block ventilation systems. A central fan is mounted, generally, on the roof and provides ventilation to bathrooms and/or kitchens in the flats.

Fire ventilation maintenance

This refers to the automatic smoke ventilation system installed in some of our blocks. The systems open ventilator windows on the enclosed landings.

Communal water quality maintenance

This service covers the maintenance and inspection of communal tanks and water services.

Lightning protection maintenance

This is for the maintenance of the lightning protection equipment.

Boiler repairs and maintenance

This is a charge for those who pay heating and hot water charges and has been created to ensure that leaseholders who have been disconnected from the communal boiler system do not get recharged for the cost of servicing, maintaining and carrying out repairs to the communal systems. The charge covers the cost of repairs to the communal part of the system within individual flats, maintenance and repairs of boilers house equipment and pipe work.

Tree Maintenance

Tree Maintenance covers the cost of cyclical and day to day maintenance of trees on our estates and around residential blocks owned by Lambeth Council. Lambeth Council maintains over 60,000 trees found on public land in parks, on streets and on housing estates.

These trees are inspected and managed by the Lambeth Tree Service, which involves experienced tree officers working with a specialist tree maintenance contractor to undertake regular assessments and instruct for tree pruning, reduction and removal or planting to maintain the borough's existing tree stock.

Communal Electrical Maintenance & Testing

This new service and charge covers the replacement of failed lamps and fittings, checks on columns and operation of photocells. It also covers the maintenance of time switches and general inspection of the building for electrical faults.

Block external charges

Some blocks are not on estates but often contain an area around the block that receives cleaning and grounds maintenance services as there may be grass or parking areas. If the contractor has provided separate costs we will include them in your estimate.

What is ground rent?

Ground rent is a fee you have to pay to your freeholder as a condition of your lease. It is usually a small amount. Most Right to Buy leaseholders pay £10; however this may be different if you purchased your property at auction.

Management charge

This is calculated as 10 per cent of all charges (excluding insurance and ground rent) plus a flat fee, which covers our costs of managing leasehold and estate freehold properties.

The 10 per cent fee covers the cost of managing the services provided to all residents in a block or on an estate, such as cleaning, grounds maintenance, repairs etc.

The flat fee of £68 covers the cost of services provided exclusively to leaseholders and freeholders on our estates, which cannot be attributed to specific estate or block services.

The charge is for the work of our central teams in dealing with enquiries on lease terms and service charges, managing service charge accounts and attending leaseholder specific meetings.

Statement 1

LAHS Data

- To comment on any inaccuracies from the LAHS data and the actual position with regards to levels of non decent backlog homes.
- (Backlog Non-Decent Homes mean those homes that were non decent at April 2012 and still remain non decent at April 2015. Newly arising during this time are not eligible for funding.)

In 2011/2 original DH Backlog bid set out a non-decent stock at 31 March 2012 as 12,293. and forecast non-decent stock of 6,848 dwellings (28%) at 31st March 2015. This figure was based on attracting limited resources.

Works are currently on site, in planning or already completed will decrease the percentage of non-decent stock forecast on 1st April 2015 compared to the figure quoted in the original bid. This is reflected in the volume of actual DH completions compared to the targets within the original DH Backlog bid, where DH delivery has been greater than target. The improved delivery and reduced level of non-decency is a result of self-financing where LBL has been in a position to increase capital investment resources through borrowing and improved VFM.

With the current ability to secure resources through borrowing, we anticipate increasing our DH delivery potential in the current year. We plan to make 4,076 dwellings decent in 2014/15 assuming no slippage on the programme. This is funded from a variety of resources, including borrowing and DH backlog allocation.

The net effect of this and previous years actual delivery will lead to a non-decent stock forecast of 4,616 dwellings (19%) at 1st April 2015.

Statement 2

Value for Money

- Give details of value for money on each cost element including details of contractor frameworks and buying clubs to demonstrate, efficiency and economies of scale.
- Please note here any impact of the leaseholder charge cap direction on vfm.
- Whether a council has secured other funding which is dependent on their Decent Homes delivery (e.g. energy supplier obligation funding).

Capital programmes and decent homes works are procured through a number of contractual arrangements appropriate to the work stream and cost element to deliver VFM. These are:

1. Lambeth Partnering Contracts (LPC). These tendered contracts commenced in 2011. They deliver M&E works including communal and individual heating systems. VFM is delivered by means of benchmarking clauses and mini-tenders for individual projects. Additional benefits include local employment and sourcing, London living wage and community benefits.

2. Lambeth Housing Standard (LHS). This NEC 3 Form contract covers roofs, windows, fabric repairs, doors, fire protection, environmental improvements, kitchen and bathroom replacements, domestic rewiring and central heating installations. Three contracts began in late 2012 and were awarded on a geographical basis. VFM has been obtained through:

- o Through the tendering process and subsequent competitive rates, we achieved price reductions. Price comparisons were made possible through our specification requirements and potential for delivering holistic schemes of work, attracting a broad range of bidders to drive their prices down.

- o The competitive process offered better rates in real terms measured by benchmarking.

- o Using a restricted procedure meant that prices submitted by Bidders were fixed and defined and would not allow for variances. This drives down and maintains rates that are most advantageous.

- o Quality aspects were evaluated to ensure that the tender was based on price and quality. Batching of works and pricing from Bidders promotes a holistic approach to targeted stock investment programmes, leading to improving the efficiency of service delivery.

- o The arrangement into Lots system/areas and the allocation of lowest priced Contractor to areas containing the most stock is efficient so stock investment can take place, large-scale, in the most economical way. This facilitates the contractors to use their own resources efficiently and pass these benefits onto Lambeth. Performance Profit element is inextricably linked to the contract KPIs. The contract arrangement allows for an open book approach with the contractor sharing savings with Lambeth Living. Therefore any efficiencies resulting from the effective delivery of projects will benefit Lambeth.

Previous contract models delivering VFM on the programme included:

1. Supply Chain Management Group (SCMG). Lambeth became members of the SCMG with other Councils. Negotiations took place around internal refurbishments works and significantly cheaper rates are achievable through SCMG compared to the originally tendered LPC. Savings of £6m have been achieved by Lambeth.

2. London Housing Consortium (LHC). LHC is the not-for-profit consortium set up to provide procurement solutions for public sector bodies through framework arrangements. LHC promotes VFM through mini-competitions (to obtain best prices in real times); bulk-buying; batching of works. Lambeth have completed eight large projects using the LHC.

Once projects from any contract are under way, VFM is built into the project management processes. Such activities carried out by both internal staff and external professional consultants include:

Pre-start on site - review of the design to ensure fitness for purpose; value engineering to get performance and design at the best cost (which may be a long-term view taking into account lifetime costs in use as well as initial cost);

During the project and at project end - monthly valuations including measured surveys and audits of contractors; final account calculation based on measures of works done, audits of work done, contractors costs and performance measures.

The leasehold charge cap directive will not adversely affect VFM as it not envisaged that leaseholder recharges will exceed £15k.

Statement 3

Funding stock under 10% non-decent

- Please give explanation of why you require funding for the last 10% of non-decent backlog stock. Include details of type, age and built form of the more challenging and expensive stock

The final 10% of non-decent stock is formed of 2,491 units.

Our policy in delivering decent homes is to balance a number of competing factors to prioritise the delivery. These factors include:

- Work on an estate-wide basis to optimise the delivery of works and to get best value for money
- Maintain the structural integrity of the stock including weather-proofing, structural stability and environment.
- Resident feedback
- Opportunities for regeneration or redevelopment. See Statement 6 for more details on regeneration.

The last 10% are still failing decency under multiple elements and are in the case of 1.5%, challenging. In terms of archetypes, the final 10% has a much higher proportion of houses than flats; the majority being of the Victorian era. The challenging group in this sector are largely Victorian, within conservation areas and with structural issues that need addressing. Those with more severe structural stability issues have been included in the units within the over 10% challenging group.

Factors in the requirement for additional funding include

1. The 100% surveys carried when carrying out the works have identified a greater number of elements contributing to non-compliance than those included in the original sample survey indicated. As a result the total funding requirement has increased.
2. A considerable proportion of the properties have, when refurbishment asbestos surveys have been carried out on the residential units, shown asbestos-containing materials which in turn, resulted in higher costs in asbestos removal.
3. The funding requirements of the fire risk assessment works have been high (e.g. £6m in 2014/15).

Amongst the most challenging stock are those scheduled for Regeneration, those where costs are high due to conservation requirements, where works are complex due to structure types. Our ability to fund works to the above through our 30 year HRA Business Plan is constrained during 2014 to 2019 due to limited headroom. Headroom during 2015/16 is £21m thereafter headroom commences to increase. However the council has many calls on this headroom, the need to balance refurbishment and redevelopment (see HRA BP Dashboard –App 3.1). The Council has taken sensible funding decisions through its treasury management and continues to seek alternative funding sources to bring all stock up to Decent Homes standards through a combination of Refurbishment and Regeneration. The Council's wider capital programme and funding decisions must also address investment requirements from other service groups. (App 3.2).

A number of Estates have been identified where the funding required to bring the properties up to Decent Homes Standard is significantly higher than the potential costs of a redevelopment/refurbishment option.

Our most challenging stock includes Estates proposed for Regeneration .Once detailed surveys are undertaken general costs may increase. The Council's Cabinet in December will agree Estate Regeneration programmes .A number of proposals are well advanced and will require buy backs , for example Cressingham where the financial model has identified a buy back programme in excess of £11m (App 3.3) and also statement 6.

Additional Decent Homes funding will enable the programme to be delivered as detailed in the bid document E1 /2. , with buybacks in 2015/16.

The debt capacity and headroom in the HRA BP includes assumptions on the level of timing of leasehold contributions to support the investment programme . However in the light of recent directions and additional repayment options being made available to Lambeth's leaseholders there is likely to be a reduction in the level of contributions as well as the timing particularly where leaseholders take up the option for extended repayment terms.

This bid programme can be delivered in 2015/16 through existing contract agreements.

Statement 4

Capping leaseholder charges

- A) Included within spreadsheet submission
- B) How will the council fund the extra costs on each estate, if the £15K cap is lower than the estimated works costs for resident leaseholders?
- C) What help financial or otherwise will the council be giving to all affected leaseholders, such as loans or deferred payment arrangements? The expectation would be that a minimum of 2 years deferred interest free payment would be available.
- D) Please provide a sample of the council's documentation showing how the estimated charges are explained to leaseholders. This will include; alerting resident leaseholders to the cap, description of works, a breakdown of charges for the main elements of the works, overheads, contingency, dispute protocols and how any savings are distributed to leaseholders where profit sharing arrangements exist.
- E) Confirm commitment to publish procurement strategy

Please email responses to DecentHomes15-16@london.gov.uk e-mail title should read 'Supporting Statement 4' and name of Local Authority

Statement 5 - Environmental retrofit

In the context of this programme the definition of environmental retrofit works are any that reduce energy use in homes, and therefore reduce carbon emissions. Works can include, but should not be limited to: Loft, wall and floor insulation, draught proofing, heating repairs, replacements and controls, window glazing, micro-generation technologies, decentralised energy solutions and district heating connections.

1 Please describe your authority's ambitions in regard to environmental retrofit including reference to relevant strategy documents.

This section should describe how retrofit works will be undertaken alongside your authority's Decent Homes funding, as well as any targets the authority has set in relation to environmental retrofit within its own stock, other social housing stock and stock in the private sector.

Lambeth has a strong record of successfully implementing environmental retrofit work to its' stock. Between August 2013 - March 2015, Lambeth will have delivered £10m of environmental retrofit work. This work has been entirely funded through partnership agreements with major energy companies, as part of their Energy Companies Obligation (ECO) requirements. The work delivered to date has installed insulation to over 2,400 properties with cavity walls, and will deliver external insulation to approx 620 homes. As part of the external insulation delivery, Lambeth is also using the scaffolding and other site prelims to subsidise the installation of windows, roof coverings and estate wide grounds improvements. This has created a £750,000 scheme subsidy from the ECO funded works, to the works required to ensure the stock meets the Decent Homes Standard.

Lambeth has identified approx 1,500 properties that are suitable for the application of external insulation, between 2015 - 2018. It is unlikely that the cost of this work will be 100% funded by the ECO requirement. However, with careful co-ordination of asset investment and improvement works, it will be possible to deliver a "whole house" improvement to stock, by installing external components such as windows & roof works, at the same time as external insulation. This will spread the costs of any scaffolding, planning permission and site prelims to deliver as cost effective a solution as possible. We note the guidance in the 'invitation to Bid' support documentation, Improving Environmental Performance. Lambeth have a dedicated team working on this aspect. They will be in contact and work with the RE:NEW Support Team to maximise incorporation within the Decent Homes programme.

Please provide the following details about the environmental retrofit works that will be undertaken alongside your authority's Decent Homes programme in 2015/16, as well as any planned environmental retrofit works planned for the following two years.

2 Number of homes What is the estimated number of homes in each of the following years that will be retrofitted?
Please note in 2015/16 the number resulting from the Decent Homes work programme, and identify for each year the number associated with other planned works (if any).

2015/16
500

2016/17
500

2017/18
500

3 Carbon savings What are the estimated annual carbon savings (annual tCO₂) in each of the following years from environmental retrofit?
Please note in 2015/16 the number resulting from the Decent Homes work programme, and identify for each year the number associated with other planned works (if any).

2015/16
500

2016/17
500

2017/18
500

4 Capital expenditure What is the estimated capital expenditure in each of the following years on retrofitting homes?
Please note in 2015/16 the number resulting from the Decent Homes work programme, and identify for each year the number associated with other planned works (if any).

2015/16
£4,000,000

2016/17
£4,000,000

2017/18
£4,000,000

5 Funding

5a Please outline the specific sources of funding that you will combine with your Decent Homes grant funding in order to fund retrofit works?

LL is in discussions with British Gas (BG), to deliver further external insulation work to our stock. BG and LL have a strong and productive working relationship, that has already delivered energy efficiency work to over 3,000 homes. The energy companies that we have had initial discussion with, have indicated that the retrofit external cladding, can be funded at a level of £1,500 per property. With a programme of 500 homes per year, that is funding of £750,000 pa.

5b What is the status of the above funding, i.e. funding identified, bid/proposal submitted, funding secured, or other (please specify)?

The funding has been identified, and indicative proposals submitted to energy companies.

6 Procurement Please outline the proposed procurement route you plan to take.

The programme of works to deliver external cladding and decent homes improvements to properties, has been delivered using a LL Framework contractor, with the BG's preferred contractor for the cladding work, as a nominated sub-contractor for the main contract.

7 Timescale for delivery Please outline the timescale for the process of retrofitting as a result of your Decent Homes programme.

It is possible to deliver external cladding to 500 properties per year, over the next three years. LL and their partner energy company and contractor, have delivered this number during 2014 - 2015.

Statement 6

Delivery Record and Infill Development

- Provide statement of level of funding within the previous programme budget for 2012/15 (if applicable)
- Statement on track record of delivery by the organisation managing the capital programme; having frameworks with contractors for an appropriate volume of programme already procured, annuals performance
- Infill statement: overall potential for increasing the density within an estate, whether this includes larger scale demolition of parts of the estate alongside decent homes works. The timescales for the overall estate regeneration proposals and detailed plans as applicable. If not applicable an explanation as to why is required.

Previous programme: No funding was included within the previous programme for the delivery of new units or infill development.

Estate Regeneration

A detailed report on the Estate Regeneration Programme including options proposed, the capacity for additional homes with an effective financial appraisal both at individual and overall programme levels is scheduled for Cabinet at its December 2014 meeting.

Currently, capacity and financial evaluation studies are progressing within estates suggested for Estate Regeneration, which will inform the above. . Early indications show that substantial additional numbers of homes could be provided, subject to decisions made regarding Estate development potential. This additional decent home backlog funding will help to pump-prime the delivery phases required for 2015/16.

In addition, a range of sites which could increase the delivery of genuinely affordable homes have been identified. These sites will range from infill opportunities on existing Council housing estates, to one off development opportunities. The sites will also include Council housing estates which meet one or more of the criteria agreed at Cabinet in October 2012 which were:

- To focus on those housing estates where the costs of delivering the Lambeth Housing Standard are prohibitive and/or
- Where residents and the Council have identified that the Lambeth Housing Standard works in themselves will neither address the fundamental condition of the properties nor address many of the wider social and economic issues experienced by residents and/or
- To focus on those estate where the wider benefits arising from regeneration justify the intervention.

Small sites programme:

There is potential within the borough to deliver a significant number of new, genuinely affordable homes through a small sites programme. Small sites provide opportunities from anywhere between 10 and 50 new homes. The sites range from underused land on existing Council housing estates, to garage sites, to old boiler houses.

Phase 1 of the small sites programme is now in the delivery stage and will see the provision up to 142 new homes at Council rent levels.

The Council commissioned Savills to review the Phase 2 sites.

The Council is currently working with residents at Cressingham ,Central Hill and Fenwick estates to consider options that could provide new homes and improvements. See statement 3.

At Fenwick estate the Council has agreed to an offsite Section 106 agreement whereby up to 90 new homes will be provided on three sites at the South of the estate. This initiative is also the catalyst for a detailed review of the potential for regeneration on Fenwick. Consultants are currently being procured for both projects.

At Central Hill, residents are working with the Council to consider regeneration options for the estate. Consultants have been selected to develop regeneration options working closely with residents.

Delivery Statement: Lambeth has a track record of delivering complex estate regeneration as evidenced through Myatts Field North PFI. See also Statement 2 delivery track record.

(continued from previous page)