



## Leasehold Management Policy

### Introduction

The Leasehold Management Policy (“the Policy”) outlines how we manage our leased homes and buildings and how we provide services to customers living in them. This includes customers who are Leaseholders, Shared Owners, Freeholders, Commercial Leaseholders, and those who purchased their properties through the Right to Buy and Right to Acquire.

The Policy is in 5 sections:

1. The Lease
2. Customer Service
3. Charges
4. Building Management
5. Ownership and Conveyancing

### Policy

#### 1.0. Terms of the Lease

- 1.1 Leases and deeds are legally binding contracts which are strictly governed in statute. The Terms of the Lease set out the responsibilities (such as repairs, issuing and paying service charges) that both the leaseholder and Irwell Valley Homes (IVH) are bound to.
- 1.2 The Leasehold team will make appropriate arrangements to maintain buildings in accordance with IVH’s lease obligations. Leaseholders and Shared Owners will be expected to carry out their responsibilities to maintain and repair their properties in accordance with the terms of their lease.
- 1.3 All new leases will be for 990 years.

#### 2.0. Customer Service

- 2.1 We will help customers and colleagues understand the terms of the lease and respond to enquiries and provide explanations and information on our website.

#### **Building Inspections**

- 2.2 We will complete regular building inspections ensuring that we comply with all health and building safety regulations and that the buildings are properly managed and maintained and that services are being provided and managed. We will let residents know when inspections will take place and invite them to join us.
- 2.3 We will provide updates to customers after each inspection via email and noticeboards will be kept up to date with contact details.

## **Consultation**

- 2.4 We encourage Leaseholder participation and will provide opportunities for Leaseholders to have a say in the management of their building.
- 2.5 IVH has a Resident Scrutiny Panel (reviewing key service areas), Customer Standards Group (assessing service standards), Building Safety Forum (for customers in our High-Rise Blocks) and a Communications Group (who look at our policies and general communications respectively). Leaseholders are invited to and do participate in these forums.
- 2.6 We encourage and support the set-up of Tenants and Residents Associations (TARAs). We officially recognize TARAs and attend meetings and provide communications directly to the TARA over matters they bring to our attention.
- 2.7 We will always carry out Section 20 consultation where costs for eligible works are over £250 per leaseholder or services are over £100 per leaseholder, per year, and the contract length is over one year. The Section 20 process allows customers to make observations about our proposals and to nominate contractors to be invited to tender for the work or service.
- 2.8 Where the work has to be done sooner than the consultation allows, we will seek a dispensation from the Section 20 consultation from a First-tier Tribunal. We may also apply to the First-tier Tribunal for their decision on the fairness and reasonableness of work and charges before carrying out a Section 20.

## **Complaints**

- 2.9 IVH investigates all complaints to ensure that the causes are understood and prevented from happening again and where investigations uphold complaints, customers receive an apology and where appropriate an appropriate remedy.
- 2.10 All complaints will be dealt with under IVH's Complaints Policy and Procedure which complies with the Housing Ombudsman Service's Complaint Handling Code. Stage 1 investigations will be conducted in 10 working days. If they are escalated to Stage 2, a Head of Service review the Stage 1 investigation, response and remedy, and provide a response back within 20 working days. At each stage information about the Housing Ombudsman Service will be provided.
- 2.11 Complaints about charges: service charges or rents, their levels, apportionments, fairness and reasonableness will initially be looked at by the Leasehold and Finance Teams. If an error has been made it will be corrected. If we believe the correct charge has been made, we will advise the customer how to apply to the First-tier Tribunal for their decision.

## **Communication**

- 2.12 We will advertise how to report communal repairs, raise concerns over safety or services and how to contact the Leasehold Team through a range of media including notices at the scheme, regular scheme updates, and emails to leaseholders and residents. We have a dedicated section on our website for leaseholders which contains all related policies and information around services and charges. We communicate annual investment plans for each building. We also communicate the annual estimated service charges and any rent (with a full explanation of charges) for the upcoming year 30 days prior to this taking effect. We also communicate the final audited accounts each year.

## **Anti-Social Behaviour (ASB)**

- 2.13 In all cases we will adhere to the terms of the lease in dealing with an issue of ASB. In any case we will discuss this with the Leaseholder and provide guidance on their options. Some leases require that costs incurred in dealing with ASB issues are paid for by the Leaseholder. In these cases, the cost will be in accordance with our admin fees in schedule 2.
- 2.14 If the alleged perpetrator is an IVH shared owner, we will deal with it through IVH's ASB Policy and Procedure. If the alleged perpetrator is a Leaseholder or Freeholder, we will offer to send an initial letter free of charge, notifying the perpetrator of any suspected breaches of their lease or deed.
- 2.15 In all cases, especially where the lease is silent on tackling ASB, we will signpost customers to agencies and statutory services who can help.

## **CCTV**

- 2.16 We will comply with our Digital Recordings Policy and limit access to the CCTV to the Association's Data Controller.
- 2.17 In response to reports of crimes we will advise customers to report all crimes to the police.
- 2.18 All requests from the police for CCTV will be submitted to IVH's Data Controller who will assess requests and comply to requests for CCTV.

## **3.0. Charges**

### **Rent**

- 3.1 If the leaseholder is shared owner, they will be eligible to pay rent to IVH, which will be set in accordance with IVH's Rent Policy and their lease. This will be reviewed annually and communicated within 30 days of any changes.

### **Service Charges**

- 3.2 Service charges will be set in advance of the "service charge year" as defined in the lease. They will be sent to Leaseholders in advance of the service charge year. The charges will be the best estimate of the forthcoming costs for the scheme over the year based on actual cost from the previous year, consideration of work already carried out at the scheme, known increases in contract prices and expectations of how inflation might affect costs. All service charges will be reasonable and fairly apportioned.
- 3.3 For buildings where there are multiple leased properties, we will supply a breakdown for every charge and an explanation of how the charges have been estimated.
- 3.4 We will welcome enquiries as to how the charges are calculated and will provide notification of any errors.
- 3.5 Within 6 months after the end of the service charge year, if the lease requires it, the accounts will be "assured" by an independent external auditor and Leaseholders will be sent copies of the Assured Accounts. The accounts will calculate the difference between the total estimated and total actual costs and identify any surplus or deficit. The accounts will include

sinking funds separately, where applicable.

- 3.6 Where there is a credit or an arrear on an account due to any surplus or deficit, we will offer leaseholders refunds for the surpluses or demand payment for deficits. Credits and deficits of £20.00 or less will be retained on the customer's service charge account.
- 3.7 We will send all the Service Charge Account Estimates and the Assured Accounts by letter and we will aim to send an electronic version by email as well.
- 3.8 Service Charge Estimates will follow the financial process set out in Appendix One and will be signed off by two Executive Directors.

### **Sinking Funds**

- 3.9 Sinking Funds allow Leaseholders living in shared buildings to pay a set amount into a separate and protected account that is used to offset future large repair/replacement costs.
- 3.10 Where IVH is the Managing Agent, we will set the sinking fund levels annually based on a target sinking fund level derived from 30-year plans for the block (Section 4.3). These 30-year plans are based on 5 yearly rolling surveys that are carried out by independent surveyors.
- 3.11 If the cost of works matches or exceeds the sinking fund, we will use the whole of the sinking fund to pay towards the cost. We will not keep any sums in reserve for other works.

### **Management Fees**

- 3.12 Where the lease states that a management fee can be collected, usually as part of the service charges, we will collect a fair and reasonable fee. The management fees are reviewed annually and cover the costs to manage the buildings, occupancies, services, and accounts. A list of services that are provided when they are needed under the management fee is in Schedule 1.
- 3.13 Where buildings have communal areas, complex services, or management issues, we will charge a flat rate to be determined each year.
- 3.14 Houses which have communal areas, complex services, or management issues, we will charge a flat rate to be determined each year.
- 3.15 Houses that have minimal services, no communal areas, no complex services or management issues, will be charged 15% as per current Homes England guidance.
- 3.16 Where leases are specific about the management fee, we shall follow the terms of the lease.

### **Administration Fees**

- 3.17 Some services and information will be provided free of charge to customers: when set out in statute (such as Right to Acquire and Right to Buy applications) or when described in the lease (such as sending out the estimated service charges and end of year accounts).
- 3.18 Where services aren't included in the management fees, and where allowed in the lease, we will charge an administration fee for information or services we supply. We will review the administration fee annually. The administration fee will aim to cover costs to IVH and will be fair and reasonable.

- 3.19 Fees for time-limited permissions will be charged pro-rata on a quarterly basis through the year.

A list of services and their administration fees is in Schedule 2.

### **Arrears**

- 3.20 We will monitor service charge arrears and deficits on accounts closely and will pursue any arrears through services such as debt collection agencies, the Government's prescribed pre-action protocol, putting arrears onto mortgages and legal action.
- 3.21 If charges are disputed at a First-tier Tribunal we will wait for the FTT's decision before action is taken on those specific charges.
- 3.22 If a leasehold property is being sold, we will approve the assignment once arrears are cleared. We will confirm by email that we will refund successfully disputed charges. Should the FTT decide on a lower charge or refund, we will refund the person who paid off the arrear as part of the sale.

### **First-Tier Tribunal (Property Chamber)**

- 3.23 Where there are challenges to the calculation, fairness or reasonableness of service charges, management fees, administration charges, sinking funds and surpluses or deficits on the accounts, we will investigate. Where we believe the charges to be calculated correctly and are fair and reasonable, we will direct customers to the First Tier Tribunal, a property Tribunal specifically set up to deal with Leasehold service charge disputes. We may also apply to the First-tier Tribunal for their decision on the fairness and reasonableness of work and charges before carrying out a Section 20.

## **4.0. Building Management**

- 4.1 Where we are the Managing Agent, as well as regular building inspections, where the building requires it there will also be fire risk assessments, legionella tests, inspections on the lift and other safety features such as asbestos or the lightning rods. We will also complete regular maintenance functions such as clearing leaves from the guttering or redecorating communal areas.

### **30 Year Maintenance Plans**

- 4.2 We will publish our 30 year investment and planned maintenance plans for each leasehold scheme where we are Managing Agent annually: basing them on 5 yearly independent surveys, with annual input from customers and colleagues.
- 4.3 We will advise customers annually what is planned for the year ahead for these buildings.
- 4.4 For individual dwellings where we have the responsibility to maintain and/or replace items within the home, we will aim to survey these properties every 5 years to inform our asset management investment plans.
- 4.5 These Customers will be communicated with when works are due during each financial year to inform them of likely timescales, in line with our Asset Management Policy.

## **Repair Obligations for New Model Shared Ownership**

- 4.6 IVH will adhere to repair obligations prescribed in the Shared Owner Reform. We will provide new customers with details of the obligations on purchase as well as having details on the website.
- 4.7 For New Model Shared Owners, IVH will hold an annual repairs fund to reimburse customers for eligible repairs by eligible contractors for the first 10 years after purchase. This does not apply if 100% of the shares are owned.
- 4.8 IVH will inform customers annually about their repairs allowance, the budget total at the end of the previous year and the rolling balance of your repairs allowance for the next year.
- 4.9 The budget will be set as £500 per year plus the amount rolled over from the previous year up to a maximum of £1000 in one year.

### **New Model Shared Ownership Structural Warranty**

- 4.10 For the first 10 years of a lease of a New Model Shared Owner property, IVH will provide insurance cover for the main external and structure repairs to the property. These include:
- The load bearing framework of the home
  - The external fabric of the home
  - The service media forming part of (but not exclusively serving the premises)
  - All other structural part of the premises such as the roof, foundations, joists and external walls
- 4.11 Any works that are covered by a guarantee or warranty will be claimed for through the relevant policy by the policyholder.
- 4.12 Once the Initial Repairs Period of 10 years has passed and any applicable guarantee or warranties have expired, the shared owner or leaseholder will be fully responsible for any repairs in their demise and will be liable for all costs regardless of share in the property.

### **New Model Shared Ownership Repairs**

- 4.13 Eligible repairs exclusively include repairing, replacing (if faulty) and maintaining fixtures and fittings that:
- supply water, gas or electricity - for example sinks, baths or pipes
  - heat your home, for example a boiler or radiator
- 4.14 Ineligible repairs include:
- installing other fixtures (such as kitchen cabinets) and fittings (such as a bed or sofa)
  - installing appliances that use your gas, electricity or water supplies, such as ovens or washing machines
  - repairs covered by the building warranty or any other guarantee
  - items damaged on purpose
  - items not that haven't been routinely services or maintained properly – such as an annual boiler service.
- 4.15 Only contractors who are Trustmark-approved, or professionals approved by IVH can be used. [www.trustmark.org.uk](http://www.trustmark.org.uk) lists approved contractors.
- 4.16 IVH will need to assess the repair to see if it meets the criteria for reimbursement. This may be by visiting the customers home.

- 4.17 Approval must be sought in writing and approval given in advance that the budget can be used to reimburse the repair cost.
- 4.18 Once approved for reimbursement in writing, repairs must be organised and paid for by the customer.
- 4.19 Payment for approved works will follow the submission of a relevant invoice for the approved work by an approved contractor.

## 5.0. Ownership and Conveyancing

### Permissions

- 5.1 Many leases stipulate that certain activities (such as subletting or keeping pets) or improvements to the property (such as erecting a satellite dish) need permission from IVH. All reasonable requests will be given permission and in accordance with the terms of the lease. We will aim to give time-limited permissions on an annual basis so that issues like subletting can be best managed. Where permissions can be given quickly (such as subletting in a leasehold property) we will do so within 10 working days. Where the issue is more complex (such as subletting in a shared owner property) we will start looking into the details within 10 working days.
- 5.2 Charges for permissions are outlined in Schedule 2 and published on our website annually in advance of coming into effect.

### Lease Extensions

- 5.3 Our existing leases are generally for 99 or 125 years, but leaseholders can purchase extensions to their leases from IVH either through a formal application in accordance with the Leasehold Reform Housing and Urban Development Act 1993, or through an informal request.
- 5.4 When the clause in the Leasehold and Freehold Reform Act 2024 when enacted will change lease extensions to 990 years. Until then, when customers enquire about lease extensions, we will give customers the choice between the current extension period and the 990 option. The different costs for each Premium will be clearly explained.
- 5.5 All reasonable requests in writing will be agreed. Fees for the administration and commissioning of a RICS valuation and calculation of the Premium will need to be paid in advance. A formal offer of the Premium will be offered by email within a week of it's receipt.
- 5.6 Shared Owners do not have an automatic right to purchase an extension to their lease. However, IVH will allow Shared Owners to extend their lease by application if the lease allows. Shared Owners who wish to extend their lease will be charged 100% of the Premium to extend (plus admin fees) rather than a pro-rata cost per percentage of shares owned.

### Staircasing

- 5.7 Shared Owners will be able to purchase remaining shares. Shared Ownership allows those who can't afford to purchase a home on the open market to have a step on the property ladder.
- 5.8 Shared Ownership homes funded before the Affordable Homes Programme 2021 – 26 will usually be required to:
- Purchase shares in minimum blocks of 10%.
  - Pay for the administration, legal fees and Land registration of the shares.

- 5.9 Shared Ownership homes funded from the Affordable Homes Programme 2021 – 26 will be able to:
- Purchase shares in minimum block of 1 % per year
  - Pay no administration fees if only 1 % purchased
  - Any 1% increase will not be required to be registered with the Land Register

- 5.10 We would only consider buying back shares from Shared Owners (downward staircase) in exceptional circumstances and after all other avenues had been exhausted.

### **Sub-letting**

- 5.11 Leaseholders must apply in writing or by email if they wish to sublet their homes. We will give permission for subletting, if the lease allows, and the leaseholders account are clear and not in arrears, on an annual basis and on condition that the tenancy agreement reflects any restrictions in the lease. Leaseholders must keep us informed of who their subtenants are and of any changes to their subtenants for our Major Incident Response Plan so that we can ensure all residents are safe and accounted for.
- 5.12 Leaseholders who sublet will be required to ensure that their tenants are able to evacuate from their property unaided in an emergency prior to letting the property or the Landlord will need to supply an appropriate Person Centred Fire Risk Assessment (PCFRA) for their subtenant. Leaseholders who sublet will be required to notify IVH of details of their tenants for Health & Safety reasons any will be required to inform us of any changes. This information will be placed on the Vulnerable Residents register for the emergency services to use, if required.
- 5.13 Leaseholders requesting permission to sublet will be reminded annually to check their mortgage and insurance allows it, that any occupancy agreements must have the same conditions as the lease and that as a landlord there are Health & Safety obligations to meet.
- 5.14 Shared Owners would not be given permission except in exceptional circumstances, where the reason the shared owner wants to sublet is unavoidable and where the lease allows.
- 5.15 Exceptional circumstances are most likely to be where a property can't be sold and the only option is to sublet. For example: where the property has negative equity, where the property can't be sold due to fire remedial work/assessments being required, or where long-term illness requires long period away from property. Evidence would be required that all other options have been exhausted before permission is given.
- 5.16 In accordance with the Capital Funding Guide, it is the provider's decision as to whether they agree to any request to sub-let. You cannot sublet (rent out) your entire home unless you either:
- own a 100% share; or
  - have your landlord's permission which they will only give in exceptional circumstances and
  - have your mortgage lender's permission if you have a mortgage
- 5.17 An example of an exceptional circumstance for sub-letting is if you're a serving member of the armed forces, and you're required to serve away from the area where you live for a fixed period.

### **Shared Owners' Property Sales (Assignments)**

- 5.18 IVH has shared ownership leases which may state that the Shared Owner must give IVH the right to nominate a purchaser if the Shared Owner wants to sell. Our policy is not to nominate a potential purchaser. We will confirm in writing (by email) if requested and the Shared Owner will be free to find a purchaser themselves.

### **Right to Purchase (Right to Buy and Right to Acquire - RTB, RTA)**

- 5.19 We will carry out all reasonable checks to ensure that a property is eligible to be sold and the applicant meets the eligibility criteria for the schemes.
- 5.20 Purchases will be processed in accordance with Statutory guidelines on eligibility and timescales and our procedure on RTB and RTA. Where a property does not meet the requirements for RTA or RTB we will not sell the property to the tenant.

### **Property Market Rate Valuations**

- 5.21 All valuations for Shared Owner Assignments, Lease extensions and Staircasing, purchases for Intermediate Market Rent Properties, Rent to Buy, and Leased properties that are applying for Enfranchisement will be valued using a RICS Market Rate valuation.
- 5.22 Customers must cover the costs for commissioning the valuation, or they can commission their own market rate RICS valuation.
- 5.23 If the RICS Valuation is not accepted by either party, that party may commission a new RICS valuation themselves. Where two valuations differ, we will ask both valuation providers to agree a final valuation between them. IVH will accept the mutually agreed final valuation.
- 5.24 In applications for RTA or RTB, IVH will commission the RICS valuation. If the RICS valuation is contested by either party, that party will refer to the District Valuer for a final valuation. IVH will accept the District Valuer's final valuation.

### **Purchasing Leaseholders' Properties**

- 5.25 Where Leaseholders or Shared Owners wish to sell their home, IVH may choose to purchase the property if the acquisition is in line with our Corporate Plan (Development, Regeneration or Asset Management Strategies).
- 5.26 Where we don't, we will provide guidance and options on how owners can sell their property, including staircasing and assigning together so that they don't have to sell at a RICS valuation.

### **Leasehold Property Enquiries Form (LPE1) also known as the Purchasers Pack.**

- 5.27 When requested and paid for, we will provide LPE1 packs that will contain:
- The most recent Fire Risk Assessment
  - Landlord Certificate
  - Service Charges for the last 3 years

- Sinking Fund details
- Major Works expected to be carried out in next 5 years
- Completed LPE1 form and LPE2
- Asbestos reports where relevant
- Copy of Insurance Policy Document

### Responsibility

The Executive Director (Customers) is ultimately responsible for the implementation of this Policy.

### Performance Indicators / Targets / Standards

This Policy is reviewed every two years or when any legislative or regulatory changes occur, it will also be monitored by the following methods:

- Leasehold Objectives
- KPI reports (Key Performance Indicators)
- Consultation with Leaseholders
- Internal service standards

### Current Legislation

This Policy is read in conjunction with, and adheres to, Leasehold and Freehold Reform Act 2024, Building Safety Act 2022, Landlord and Tenant Act 1985, Leasehold Reform Housing and Urban Development Act 1993 and other applicable statutory legislation.

### Equality and Diversity Implications

Irwell Valley Homes is committed to treating people with honesty, dignity, respect, and trust. This applies to colleagues, customers potential customers, contractors, and Board Members. At IVH:

- Equality is about ensuring that every individual has an opportunity to make the most of their lives and talents.
- Diversity is recognising difference and responding positively to those differences.
- Inclusion is about creating an environment where our services and employment opportunities are accessible to all.

IVH will be mindful of the Equality Act 2010 in all its actions and will consider all the protected characteristics of the Act which are: Race, Sex, Gender Reassignment, Disability, Sexual Orientation, Religion or Belief, Age, Marriage/Civil Partnership and Pregnancy and Maternity explicitly. Further to the protected characteristics, IVH will be mindful of socio-economic disadvantage and will do everything in its power to minimise this and other forms of disadvantage.

### Cross Reference Documents/Good Practice

This document is read in conjunction with individual leases, good practice guidelines and IVH policies and procedures.

- IVH's ASB Policy
- IVH's Rent Policy
- IVH's Income Management Policy
- IVHs' Repairs Policy

- IVH's Complaints Policy
- IVH's Compensation Policy
- IVH's Unacceptable Behavior Policy
- IVH's Equality and Diversity Strategy
- IVH's Asset Management Strategy

The former Leasehold Handbook is rescinded by this Policy.

#### Schedule 1 Services covered by Management Fee in Service Charges

*See Schedule 2 for specific exceptions and additional Administrative Fees*

Where the lease states that a management fee can be collected, usually as part of the service charges, we will collect a fair and reasonable fee.

The management fees are reviewed annually and cover the costs to manage the buildings, occupancies, services, and accounts.

A list of services that are provided when they are needed is below.

#### **Administrative Responsibilities:**

- Scheme inspections Corresponding with residents Responding to enquiries
- Advising on lease or legal matters
- Monitoring and maintaining records
- Managing service contractors
- Liaising with maintenance contractors Corresponding with new residents
- Consulting on long term services under Section 20 Ensuring compliance with legislation

#### **Scheme Inspection Responsibilities:**

- Conducting regular inspections – aiming for 6 weekly or less
- Liaising with residents on inspections where required
- Liaising with contractors on inspections where required Inspecting the property and reporting actions
- Updating information to customers and notice boards
- Arranging removal of fly-tipping / unwanted items
- Supplying meter readings and liaising with utility companies where access is restricted
- Reviewing the 30-year major work plan

#### **Financial Responsibilities:**

- Setting Service Charge costs
- Rent setting (for shared owners)
- Monitoring and managing service charge costs, ensuring correct apportionment
- Produce annual accounts
- Calculating the sinking fund costs from the 30-year plan
- Recording payments received
- Setting up payment plans and Direct Debits
- Responding to financial queries from residents
- Advising residents of their financial obligations under the lease Instructing solicitors to action arrears
- Correctly coding and payment of invoices Liaising with accountants for finalised accounts

- Providing explanations for changes in costs in the Annual Budget
- Calculation of any surpluses or deficits of Annual Budget within 6 months of end of accounting year
- Writing to residents with explanations of surpluses or deficits
- Dealing with queries following Service Charges and Accounts

#### **Contractor Responsibilities:**

- Agreeing specifications and contracts for contractors Liaising with contractors on Section 20 works
- Monitoring and management of contractor performance

#### **Health and Safety Responsibilities:**

- Arranging Fire Risk Assessments
- Arranging Building Safety Assessments
- Arranging other Compliance assessments such as Legionella, Fixed Wire Test etc where applicable
- Monitoring fire safety compliance
- Conducting regular safety tests
- Liaising with Fire and Rescue Services as appropriate
- Maintaining and monitoring scheme database of compliance

#### **Managing Lease Responsibilities:**

- Responding to allegations of Anti-Social behaviour and advising residents of their options Advising on assignments, staircasing and lease extensions processes (individual admin fees apply to individuals applying for a lease extension, staircasing and assigning their lease)

#### **Insurance Responsibilities:**

- Advising residents how to make insurance claims
- Assisting third parties in making insurance claims
- Making insurance claims for communal areas Liaising with our insurers to ensure adequate cover Provide insurance documentation where required
- Arranging excesses are paid for communal claims
- Ensuring that criminal damage in communal areas is appropriately claimed and liaising with police

#### **Schedule 2 Administration Fees 2024**

*See Schedule 1 for the actions included in the Management Fee in the Service Charges*

LPE1 Management Pack (With Services or Charges)	£205.00
LPE1 Management Pack (No Services or Charges)	£175.00
LPE1 Hard Copy of Existing Management Pack	£35.00
Processing S/O Valuation	£220.00
Covering 3rd party valuation fees for S/O Sale	Actual Fee
Processing S/O Re-sale (Assignment of Lease)	£205.00
Processing S/O Staircase & Sale (Assignment of Lease)	£85.00

Processing S/O Extension & Sale (Assignment of Lease & Extension Fee)	£490.00
Processing S/O Staircase, Extension, & Sale (Assignment of Lease & Extension Fee)	£370.00
Processing the application for re-mortgage or Notice of Charge	£70.00
RXC - Certificate of Consent/Compliance	£70.00
Processing Notice of Transfer	£70.00
Processing Deed of Covenant	£70.00
Copy of Documents Previously Served (Digital Excluding Invoices)	£45.00
Copy of Documents Previously Served (Physical Excluding Invoices)	£60.00
Copy Insurance (Digital)	£0.00
Surrender & Regrant of Lease (Extension, Removal of Leaseholders, Other)	£285.00
Enfranchisement admin fee (Purchasing the Freehold) per unit	£175.00
Landlords Consent/Approval - In Advance (eg Pets, Sublet, Minor Alterations, Sat Dishes)	£45.00
Landlords Consent/Approval - Retrospectively (eg Pets, Sublet, Minor Alterations, Sat Dishes)	£85.00
Landlords Consent - In Advance (eg Alterations with Survey, CCTV)	£85.00
Landlords Consent - Retrospectively (eg Alterations with Survey, CCTV)	£40.00
Deed of postponement	£45.00
Deed of variation/rectification administration fee	£220.00
Buying more shares/staircasing/memorandum of sale	£60.00
Repaying equity loan (Help to Buy)	£220.00
Repaying My Choice Homebuy loan	£140.00
Equity loan (Help to Buy) transfers (amending mortgages)	£85.00
Major works project management fee	Contract Based Fixed Fee
Late Service charge reminder	£25.00
Issue of NOSP (To Shared Owner)	£220.00
Issue of Notice of Forfeiture	£220.00
Landlords Notice for Mortgage Application	£45.00
Landlords Reference	£45.00
Licence to occupy (eg Commercial)	£220.00
Additional Solicitors enquiries (Outside of above)	£45.00
EWS1 form	Not Available
PDF Copies of reports not provided elsewhere or statutorily (eg - EPC/asbestos report/FENSA Fee)	3rd-party cost plus £45
Retrospective permission to assign	£305.00
Other retrospective permissions	Cost above plus £50.00
Lease extension Premium for Shared Owners	100% of Premium
Time to carry out work reasonably service chargeable	£ 45 per hour per person

Request to see actual invoices	£50.00 plus 10p per invoice
Chasing the Land Reg on request	£45.00
Chasing the solicitors (Where significantly delaying process)	£45.00
Chasing for mortgage approval etc (Where significantly delaying process)	£45.00
NMSO - provide value of property/shares in 3 months of annual valuation	£220 plus RICS fee
Confirming rent on new staircase	£45.00
NMSO - provide number shares owned	£0.00
NMSO - process purchase of shares if not via solicitor nor lodged with land reg	£0.00
NMSO - Final Staircase to 100%	£160.00

## Glossary

NMSO	New Model Shared Ownership (21-26 AHP funded)
RICS	Royal Institute of Chartered Surveyors
EPC	Energy Performance Certificate
FENSA	Fenestration Self-Assessment Scheme.
EWS1	External Wall System Fire Review Assessment
NOSP	Notice Seeking Possession
RXC	Restriction Certificate for Land Registry
S/O	Shared Owner
LPE1	Leasehold Property Enquiry

## Version Control

<b>Approval Date:</b>	June 2024
<b>Approval Body</b>	Leadership Team
<b>Implementation Date:</b>	June 2024
<b>Policy Author:</b>	Giles Parlett, Leasehold Manager
<b>Policy Owner:</b>	Ceris Esplen, Executive Director (customers)
<b>Frequency of Review</b>	Every 2 years or sooner depending on updates to legislation, good practice etc.
<b>Planned Review Date</b>	May / June 2026
<b>EIA (Equality Impact Assessment) Date and Link to EIA</b>	n/a
<b>Safeguarding Impact</b>	n/a
<b>Lead Team</b>	Leasehold Team

The latest version of this policy should be viewed online from The Hub area of the IVH intranet, and any printed version cannot be relied on as the most current version

## Irwell Valley Homes – leasehold service charge setting process

Following feedback from residents on the 2024/25 leasehold service charge budget setting process, IVH has reviewed the overall process to ensure improvements can be implemented for the 2025/26 review.

There are 15 schemes under the remit of the Leasehold Team covering 236 leasehold properties and 199 shared ownership properties.

Stage	Description	Responsible Person
1. Scheme clarification and principles	<ul style="list-style-type: none"> <li>Confirm total number of units per scheme based on the housing management system.</li> <li>Confirm total number of units per scheme that receive services (Leasehold, Shared Ownership, Market Rent &amp; Intermediate Market Rent)</li> <li>Divide total service costs for each service by total number of units in the scheme for all services, except leaseholder buildings insurance, management fee and audit fees (only payable by leaseholders, rental properties have separate policy cover).</li> <li>For buildings insurance, management fee and audit fees, divided the total service cost by the total number of Leasehold and Shared Ownership units only.</li> <li>Note: recovery of costs for Market Rent &amp; Intermediate Market Rent is through increases in the annual rent charge (as the rent charge for these tenures covers both rent &amp; SC for these tenure types).</li> </ul>	Leasehold Manager
2. Budget setting	<ul style="list-style-type: none"> <li>Led by the Leasehold Team as the budget holder.</li> <li>There is a clear timeline in place for when budget setting starts and when information needs to be passed to the Finance Team.</li> <li>Leasehold Team collates budget setting information from third party service contracts (fixed price / fixed rate, plus any contractual inflationary uplifts) and from projected variable costs based on actual costs to date up to period 8 (November). This information will be sourced with the support of the Procurement Team (contracts) and Finance Team (projections based on actuals to date).</li> <li>The Finance Team will support by extracting the actual to date costs for the Leasehold Team for each variable cost service.</li> </ul>	<p>Leasehold Team.</p> <p>Finance Team review.</p> <p>Executive Directors final sign off.</p>

Stage	Description	Responsible Person
	<ul style="list-style-type: none"> <li>• The Procurement Team will support by notifying the Leasehold Team of any contractual changes to service contracts and inflationary uplifts.</li> <li>• Leasehold Team will collate the new budget information and apportion the total costs over the appropriate number of units per scheme (determined at stage 1).</li> <li>• The Leasehold Manager will provide a summary of all assumptions made to inform the budget.</li> <li>• The Head of Customers and Communities and Finance Business Manager will review the assumptions for reasonableness and make a final decision. As well as confirm the correct apportionments have been applied to the charges.</li> <li>• The Finance Team (Rent &amp; Service Charge Business Partner) will collate the information into the Finance Service Charge accounting template which produces the charges for each leasehold, shared ownership, market, and Intermediate Market Rent properties and converts this into the relevant periodic charges.</li> <li>• The Rent &amp; Service Charge Business Partner will review the budgeted charges by comparing them with existing charges to produce a variance analysis, highlighting any unusual increases or decreases.</li> <li>• The Leasehold Manager will review the variance analysis and provide explanations.</li> <li>• The Finance Business Manager will review the Finance Spreadsheet and the Head of Finance, Risk &amp; Assurance will spot check as a further review ensuring all queries raised have been answered.</li> <li>• The Executive Director Customers and Executive Director Finance &amp; Strategy will have then have the final sign off the budgeted charges for each scheme.</li> </ul>	
3. Communication to residents	<ul style="list-style-type: none"> <li>• The leaseholders and shared owners will continue to receive a full breakdown and description of each service being provided, along with their new service charge notification, which will be produced by the Communications Team.</li> <li>• In addition to this, there will be a clear explanation provided on the different apportionment method for buildings insurance (as the insurers provide leasehold and shared ownership insurance separately to rented units), management fee and audit fees (only applicable to leasehold and shared ownership units).</li> </ul>	<p>Leasehold Team.</p> <p>Communications Team.</p> <p>Executive Directors final sign off.</p>

Stage	Description	Responsible Person
	<ul style="list-style-type: none"> <li>• The Finance Team and Leasehold Team will review and sign off the draft service charge notifications to be issued to leaseholders and shared owners, ensuring they agree to the final charges being applied.</li> <li>• Leaseholders and shared owners should also be informed / reminded in the communication of the new charges that the service charge accounts produced after a financial year-end are subject to a separate independent audit process and signed off by an auditor as an accurate record.</li> <li>• The Executive Director Customers and Executive Director Finance &amp; Strategy will also carry out a final review of the service charge notification prior to publication.</li> <li>• The Communications team produce and send the service charge schedules for publication to leaseholders and shared owners, at least 30 days before the charges are to be implemented.</li> </ul>	