

Leaseholders' guide

A handbook on leasehold ownership



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Leaseholders' guide

Introduction

Wandsworth Council has been selling leasehold properties since 1978. During that time changes in legislation and council policy have resulted in amendments to lease formats. This means that, although the leases granted by the council now follow a standard format, there can be variations. These variations particularly affect how the council charges you for services and repairs.

This handbook contains useful information about your lease and how the council, as landlord, manages your property. The council is committed to ensuring that all residents are given the opportunity to enjoy the advantages of home ownership.

Leaseholders are responsible for the repair and maintenance of everything inside their home, unless specifically indicated otherwise, whilst the council is responsible for the structure, exterior and common parts of the building. The council is also responsible for providing routine services such as, cleaning and lighting of communal areas.

As a leaseholder, your lease requires you to pay your share of the costs of managing and maintaining the structure of the common parts of the building. If your property is in a block on an estate, you are also required to contribute towards the management and maintenance of the communal estate areas.

Your lease also requires you to pay your share of the cost of any major repairs to your building and estate.

Lease information

The Lease

When you buy a property, you buy the lease from the council which gives you the right to occupation and use of the property for an agreed period of time. At the end of the lease period the dwelling will revert back to the council unless the lease is renewed or extended.

The lease is a legal contract between you **'the leaseholder'** and the council **'the landlord'**. It contains details of the property, including a map showing your home, the block it is in, the estate where the block is located (if relevant) and any garden or other amenities included in the sale. The lease explains your rights and obligations, as well as those of the council.

Lease information

Common Terms used in Leases

- The **leaseholder** or **lessee** is you (as the owner of the lease).
- The **landlord** or **lessor** is Wandsworth Council (as the owner of the freehold).
- The **lease percentage** is the means by which your service charge contribution is assessed. The percentage for the block charge and if appropriate, for any estate charge, represents the proportion of costs you will have to pay.
- The **demised premises** is the part of the block or house included in the lease which you have purchased, in other words the interior of your flat, maisonette or house. It is your responsibility to maintain this area, which includes:
 - The floor surface, including floor boards or floor screed and balcony floors
 - The ceiling plaster or plasterboard
 - The wall plaster or plasterboard
 - The walls and internal wall finishes within your home, excluding the exterior wall
 - Window glass (glazing), furniture (including locks)
 - All doors and door frames
 - Gardens (including remote gardens) railing and fencing structures

The **reserved property** or **common parts** means the parts of the block or house and estate that are not included within the property you have purchased and which are not separately let to other owners or occupiers. It is the council's responsibility to repair and maintain these parts and you will have to contribute towards the cost of repairs, maintenance and cleaning.

These parts include:

- Communal staircases, corridors and balconies
- Door entry systems
- Lifts
- Roofs
- Foundations
- External walls or walls dividing your property from other properties or common parts
- External window frames
- Surrounding communal gardens, paths and hard standing areas.

Lease information

Types of Lease

Two Tier Lease

The most common type of lease is a two tier lease which applies to flats in blocks and some houses on housing estates. It contains two percentages, one for the block and one for the estate, which are used to calculate your service charges.

The **block** percentage covers the cost of items such as block repairs, lift maintenance and block electricity.

The **estate** percentage covers the cost of items such as garden maintenance, repairs to walls or fences, estate cleaning and the lighting of footways, paths and grounds as these relate to the estate as a whole. If you live on an estate, you are required to pay your share of the costs for the upkeep of the general estate areas.

Your service charges do not cover costs arising from the repair and maintenance of lighting located on adopted public highways running through some estates. These costs are met from the general fund into which council tax payments are made.

Single Tier Lease

Not all blocks are situated on council estates. Some are single blocks in residential areas and are known as **infill blocks**. If you live in an infill block, you will possess a single tier lease. The council also grants single tier leases to people who have purchased flats within converted houses.

If you live in a block or converted house which is not situated on an estate, you will be required to pay only your share of the costs for the upkeep of the area surrounding and affecting your individual block.

There is no need to calculate an estate percentage for single tier leases. The estate (if relevant) and your block are shown on the map which forms part of your lease.

Lease information

The Housing Act 1980 introduced the 'Right to Buy' scheme whereby local authorities were obliged to sell council properties to qualifying tenants who wanted to buy their homes. The council sold these properties with 125 year leases. The date you purchased your property will determine the length of your lease. Please see table overleaf.

125 Year Lease

If you bought your property with a 125 year lease, the council, as landlord, is obliged to provide you with certain services and to charge you for those services. These are called **routine service charges**. In addition, from time to time you will be charged for your share of the cost of any major works to your block or estate (if relevant). These are called **major works service charges**.

99 Year Lease

Before the 'Right to Buy' scheme came into force, the council had already sold flats and houses in certain **non-estate** properties on **99 year** leases.

Unlike 125 year leases, 99 year leases do not have a standard format. Instead, each was drawn up by negotiation with the purchaser's solicitor. Hence the term **negotiated leases**. However, most negotiated leases have certain common features.

These are:

- the leaseholder shares the responsibility for maintaining the structure of the building with the council and all other 99 year leaseholders residing there;
- the only service provided to 99 year leaseholders by the council, as landlord, is building insurance;
- there is no service charge as such and the council, as landlord, negotiates any repairs to the structure with individual leaseholders as and when they arise.

Lease information

Guide to Repairing Obligations

CATEGORIES OF SALE				
Key dates which determine Terms & Conditions under your Lease	Right to Buy	Voluntary Sale (to sitting tenant)	Sale of vacant flat under the Priority Group Sales Scheme	Open market or Auction Leases
Offer Notice before 03/10/1980	Not applicable	99 year lease Guarantees & building estimates not applicable Repairs by negotiation	99 year lease Guarantees & building estimates not applicable Repairs by negotiation	99 year lease Guarantees & building estimates not applicable Repairs by negotiation
Offer Notice after 03/10/1980	125 year lease Ten year structural defects guarantee Leaseholder liable to pay for repairs not covered by guarantee After guarantee has expired, leaseholder liable to pay for the full cost of works	125 year lease No ten year structural guarantee or binding estimates Leaseholder liable to pay for all repairs	99 or 125 year lease No ten year structural guarantee or binding estimates 99 year leaseholder repairs by negotiation 125 year leaseholder liable to pay for all repairs	99 or 125 year lease No ten year structural guarantee or binding estimates 99 year leaseholder repairs by negotiation 125 year leaseholder liable to pay for all repairs
Sale Completed before 01/10/1983	125 year lease Ten year structural defects guarantee Leaseholder liable to pay for repairs not covered by guarantee After guarantee has expired, leaseholder liable to pay for the full cost of works	125 year lease Ten year structural defects guarantee Leaseholder liable to pay for repairs not covered by guarantee After guarantee has expired, leaseholder liable to pay for the full cost of works	125 year lease No ten year structural guarantee or binding estimates Leaseholder liable to pay for all repairs	125 year lease No ten year structural guarantee or binding estimates Leaseholder liable to pay for all repairs

Lease information

Guide to Repairing Obligations

CATEGORIES OF SALE				
Key dates which determine Terms & Conditions under your Lease	Right to Buy	Voluntary Sale (to sitting tenant)	Sale of vacant flat under the Priority Group Sales Scheme or New Build	Open market or Auction Leases
Sale Completed after 01/10/1984	<p>125 year lease</p> <p>Ten year structural defect guarantee</p> <p>Leaseholder liable to pay for repairs not covered by guarantee</p> <p>After guarantee has expired, leaseholder liable to pay for the full cost of works</p>	<p>125 year lease</p> <p>Ten year structural defect guarantee</p> <p>Leaseholder liable to pay for repairs not covered by guarantee</p> <p>After guarantee has expired, leaseholder liable to pay for the full cost of works</p>	<p>125 year lease</p> <p>Ten year structural defect guarantee</p> <p>Leaseholder liable to pay for repairs not covered by guarantee</p> <p>After guarantee has expired, leaseholder liable to pay for the full cost of works</p>	<p>125 year lease</p> <p>No ten year structural guarantee or binding estimates</p> <p>Leaseholder liable to pay for all repairs</p>
Offer Notice after 07/01/1987	<p>125 year lease</p> <p>S.125 Notice giving binding five year estimates for repairs</p> <p>Leaseholders liability for repairs limited to estimated costs in first full five years</p>	<p>125 or 99 year lease</p> <p>Ten year structural defect guarantee</p> <p>Leaseholder liable to pay for repairs not covered by guarantee</p>	<p>125 or 99 year lease</p> <p>Ten year structural defect guarantee</p> <p>Leaseholder liable to pay for repairs not covered by guarantee</p>	<p>125 year lease</p> <p>No ten year structural guarantee or binding estimates</p> <p>Leaseholder liable to pay for all repairs</p>
Offer Notice after 07/09/1995	<p>125 year lease</p> <p>S.125 Notice giving binding five year estimates for repairs</p> <p>Leaseholders liability for repairs limited to estimated costs in first full five years</p>	<p>125 year lease</p> <p>Notice of Estimates giving binding five year estimates for repairs</p> <p>Leaseholders liability for repairs limited to estimated costs in first full five years</p>	<p>125 year lease</p> <p>Notice of Estimates giving binding five year estimates for repairs</p> <p>Leaseholders liability for repairs limited to estimated costs in first full five years</p>	<p>125 year lease</p> <p>No binding estimates</p> <p>Leaseholder liable to pay for all repairs</p>

Lease information

Obtaining a Copy of your Lease

If you are a leaseholder of a property where the council still owns the freehold, we can provide you with a copy of your counterpart lease. There is a fee for this service (please make cheques payable to Wandsworth Council). Telephone payment can also be made by credit/debit card by contacting the business and contracts support team.

You can ask for copies of the counterpart lease in person, over the phone, in writing or by completing a form online. We will only release copies to the leaseholder or to their representative if we have signed authorisation from the leaseholder. We will try to provide a copy of a lease within two working days.

To obtain a copy of your counterpart lease, please phone the Deeds Clerk on (020) 8871 6015 between 9am and 5pm Monday to Friday.

The Deeds Clerk
Wandsworth Council
Room 162 Town Hall
Wandsworth High Street
London
SW18 2PU

Telephone: (020) 8871 6015
Email: deedsclerk@wandsworth.gov.uk

Please note we will not release a copy of the counterpart lease until we have received signed authorisation from the leaseholder and the correct payment.

If you require a copy of your actual lease, which will have been sealed by the council, you should ask your mortgage lender, your conveyancer or the Land Registry.

Lease information

Block and Estate Definitions

Your lease contains definitions for the terms '**block**' and '**estate**'.

In May 1986, the council amended its definitions of 'block' and 'estate'. One reason for this was that previously a group of blocks on an estate might be classified as one 'block'. Since the change, costs attributable to individual blocks can be more easily identified.

Before 1986, costs for works to a group of blocks were often calculated as one amount, which was then apportioned between all properties in that group, dependent on relevant lease percentages. As there are a larger number of properties in a group of blocks than in an individual block, the percentage was relatively small. Similarly, large estates were redefined into smaller, more local ones.

The new definitions mean that leaseholders are now able to see the costs which are attributable to their individual block, with costs only being apportioned between properties in that block.

All leaseholders were given the option to change to the new definition or remain with the old one. Whether your lease percentage has been calculated under the old or new definition, it is binding on both parties.

Your lease will have an estate percentage (if applicable) and one of the following:

- **Old Block Definition:** Smaller lease percentage, but you contribute to works carried out to all blocks, whether your individual block is affected or not; or
- **New Block Definition:** Larger lease percentage, but you only contribute to works directly affecting your block.

If you require clarification about any aspect of your lease, please contact your area housing team, management co-operative or resident management organisation (RMO) or visit the website:
www.wandsworth.gov.uk/housing

Service charges

Routine Service Charges

If you are a 125-year leaseholder, the council is obliged to provide you with certain **routine services** and to charge you for those services. Both leaseholders and tenants will pay for services and works.

Leaseholders receive this in the form of an annual service charge bill. However, tenants of the council contribute to these costs through their weekly rent charge.

These services are:

Emergency Response Service

The council operates an emergency service providing 24-hour cover by housing. It is co-ordinated by Wandsworth Emergency Control (WEC) (020) 8871 7490.

Emergency repairs for leaseholders under this service are chargeable.

The service covers all area housing teams and some management co-operatives and resident management organisations (RMOs). If you call the service and your call is not answered immediately, please do not hang up. Your call will be held in a telephone queuing system and will be answered as soon as possible.

Block Repairs

These are the cost of day-to-day repairs and maintenance to your block. The council is not responsible for repairs and maintenance inside your flat, although it will occasionally carry out emergency work to prevent the problem causing either a nuisance to other people, or damage to the structure of the block. You may be charged for any work carried out by the council inside your flat. If there is a charge, this will be billed separately from your service charges and will include VAT and administration charges.

Service charges

Building Insurance

As required under the terms of your lease agreement the council (as freeholder and landlord) insures the building in which you live against loss or damage caused by a range of perils as usually specified in a comprehensive buildings insurance policy.

The sum insured (or reinstatement value) attributable to your property is shown on the Summary of Costs that you receive each year with your service charge invoice. This relates to the cost of reinstating or rebuilding the property, not the current market value.

It includes the common parts of the structure, such as the foundations, staircases and roofs and is reviewed annually based on council held information about the building. Therefore, you must tell the council about any works you intend to carry out to your property, which may materially add to the sum insured (the cost of repairing or rebuilding the property if it were damaged or destroyed).

The sum insured is reviewed every year to ensure that it adequately reflects increases in rebuilding costs. Currently, claims over £50,000 are dealt with by the insurer. Other factors may affect the premium payable, such as major fluctuations in claims experience, or the extent of terrorist activity, but the council regularly tests the market to ensure that insurance costs are competitive.

Contribution to Fund

In order to meet claims below £50,000, the council maintains a fund and obtains contributions from leaseholders instead of collecting premiums. The combined cost of this contribution, together with the premium payable to the insurer, represents a reduced cost when compared with standard insurance premiums.

Making a Claim under your Building Insurance Policy

If you require advice on the cover provided or need to make a buildings insurance claim in relation to your home, contact the insurance section of the finance department.

It is a policy condition that claims are submitted as soon as possible. Please note that unless the loss or damage has arisen as a result of one of the perils covered by the policy, it is unlikely that it will be covered. Before requesting a claim form, please check the perils covered as shown in the Summary of Cover in Appendix 1 of this guide.

Service charges

If you require an insurance schedule, which may be requested from time to time by your mortgage lender, please contact the property accounts section, in the finance department.

The council's insurance policy does **not** cover the contents in your home. You are strongly advised to arrange a separate insurance policy to cover your own contents.

Management Expenses

The council has to recover all the costs involved in managing leasehold properties. These include the leaseholders' share of general expenses such as premises, salaries and office expenses. There are also costs which relate solely to leaseholders such as, the cost of sending out service charge bills, or dealing with leaseholders' queries. Any items which are not relevant to leaseholders such as, letting vacant properties, internal repairs to tenants' flats and rent collection are not included.

Estate Cleaning

Estate cleaning of external areas is currently carried out by private contractors. Monitoring the standard of cleaning is the responsibility of the estate services team, management co-operative or RMO.

Estate Lighting

The cost covers items such as electricity and bulbs for lighting estate footways, paths and grounds, as well as the cost of light fittings where these are easily accessible (see estate repairs). This does not cover lighting for adopted public roads which run through some estates. This cost is met from the general fund into which council tax payments are made.

Garden Maintenance

Garden maintenance includes grass cutting, maintenance of shrubs, planting and pruning. The work is carried out by the council's garden maintenance contractor. An additional charge is included for tree maintenance.

Estate Repairs

Estate repairs are carried out to communal parts of the 'estate' as defined in your lease. This includes the maintenance of footways, paths, estate roads, walls, fences and railings, estate drains and estate lighting.

Service charges

Block Cleaning

This is cleaning of internal common parts, including removal of bulk rubbish and litter, clearance of blocked refuse chutes and inspection of some council equipment and fittings. Block cleaning charges do not include the cost of weekly domestic refuse collection. This cost is met from the general fund into which council tax payments are made.

Block Electricity

This charge is for the cost of the electricity supply serving the block, which includes the cost of light bulbs and tubes for communal areas.

Paladin Bins

The hire charge for paladins includes the cost of the containers, the disposal of old bins, regular repairs, maintenance and annual steam cleaning of bins.

Lift Repairs

The council regularly inspects and services lifts and other associated equipment. This cost also includes any out-of-hours attendance and repairs not covered by the service contract.

Lift Running Costs

This cost is for the electricity used in running a lift, plus the cost of inspections by the council's insurers.

Minor Works Consultation

The council may consult on some minor works this will depend on the type and scope of work and existing contracts in place. This procedure only applies to works that will result in costs of more than £250 per leaseholder and the council will serve a notice of intention. However, where a long term agreement, such as an Area Repairs Contract (ARC) has already been tendered and approved, then the council will be exempt from this process.

Minor Works Commissioning Fee

The minor works commissioning fee is added to all repairs and covers the costs of providing supporting technical and administrative services.

Service charges

The Service Charges Invoice

As the council is not able to determine in advance the actual amount of money it will spend on services in each financial year, leaseholders are charged an **estimated** amount based mainly on the **actual** costs for the previous financial year, plus an allowance for inflation.

The exceptions to this rule are:

- Costs for day-to-day (routine) repairs. It is not possible to predict all repairs which may need to be carried out in each financial year. The estimates for such costs are worked out on the basis of the budgeted amounts apportioned to each property type. This allows for any routine repairs and known programmed works to be carried out in the coming year.
- The amount included for garden maintenance is based on the cost of the previous year's routine works, plus inflation, together with a proportion of the costs for any programmed works for the coming year which are known in advance.

At the end of each financial year the council is able to identify the actual expenditure it has incurred and an adjustment is made to your next service charge bill. If the council has spent more than its estimate, leaseholders will be required to pay the difference in their next bill. If the council has spent less, the service charge account will be credited with the difference.

Leaseholders will receive bills by 1 October each year.

Service charges

Communal Heating and Hot Water Charges

Many estates are served by communal systems which provide heating and hot water to individual flats. The costs of running communal systems are paid for by leaseholders and tenants alike. If your flat is linked to a communal system, you will be required to pay a weekly sum to cover fuel used, salaries of technicians and day-to-day repairs. In most cases, these amenities are **NOT** included in the service charge assessment.

Leaseholders who do not have this provision in their lease, yet receive communal heating and hot water, are required to sign a 'heating and hot water agreement' with the council, effective from the date of purchase. As a result, the council agrees to provide these amenities and the leaseholder promises to pay for them and use them economically.

Major Works Service Charges

From time to time the council has to carry out major works to your block or estate to keep it in a good state of repair. Major works are normally large projects designed to prolong the life of the council's housing stock. These include schemes such as external decorations, roof, window and lift renewals.

Major works can take some time to complete. The council will not usually be in a position to know the actual costs of works until the programme is completed and the contractor's accounts have been summarised, checked and audited.

In the meantime, the council will estimate the amount payable by each leaseholder according to the value of the works programmed to be completed each year. You will then be billed for this amount. When the works are completed, your service charge account will be adjusted to reflect the difference between the estimated amount and the actual costs.

Major Works Consultation

When schemes are added to the housing capital programme, extensive consultation takes place, and leaseholders are given ample opportunity to make representations to the council. The council is committed to consulting with leaseholders on major works programmes for which they will be recharged.

The exact consultation arrangements will depend on the type and scope of the work. This procedure is called a Section 20 consultation.

Service charges

The term comes from Section 20 of the Landlord and Tenant Act 1985 (as amended). This procedure applies only to those works that will result in costs of more than £250 to each leaseholder.

To comply with legislation the council must complete two stages of consultation. Leaseholders are served with a Notice of Intention, stating why the work is required, providing a pre-tender estimate of the cost, inviting the nomination of a contractor to be included in the tendering process and allowing 30 days for observations to be made, as explained below.

Once tenders have been obtained, the Second Notice will include at least two estimates for the proposed works, an estimate of the cost to the leaseholder and an invitation to comment on the proposals. Leaseholders then have 30 days to make observations on any aspect of the work, the proposed contractors and the estimates. All comments should be made, preferably in writing, to the named officer.

The council is bound to take note of your comments and may not proceed with the works until the end of the consultation period.

The council may hold a Major Works Review Panel to discuss the work, but only if the cost of the work exceeds a certain level. Objections must also be received from at least five or 20% of the leaseholders and/or tenants of all the dwellings affected by the planned works (whatever is the smaller). The panel is made up of council members and will make the final recommendation to the director of housing, who will then decide what work will proceed.

In the case of emergency works, such as a leaking roof, it might be necessary for the council to effect an urgent repair without the council having followed the consultation process above. In this case, the council will have to apply to the First-tier Tribunal Property Chamber (Residential Property) (FtT) for permission to dispense with the above requirement.

The council does not charge you for the majority of improvements which are carried out to your block or estate. As a result, it is not required formally to consult with you as described above. Improvements include works such as landscaping, the provision of new car parking bays and footpaths. However, since the council likes to keep you fully informed of all schemes affecting your estate, you will be notified of all improvement works, including their expected duration.

There are some improvements which are considered to be necessary by the council to ensure the efficient maintenance, management or security of your block and you will be required to contribute towards these costs. These include the extension of refuse chutes or paladin chambers, or works to improve the safety or security of your block, such as the installation of an entry call system which in the long term, by helping to prevent unauthorised access and vandalism, will reduce repair costs.

Service charges

Section 125 Notice

Since 7 January 1987, all leasehold properties purchased under the Right to Buy scheme, have been sold with 125 year leases which contain limitations on service charges. Prior to the lease being granted, the council supplies you with information concerning service charges to be paid during the first five-year period of the lease. This information is given in a 'Section 125 Notice' and contains estimated costs of service charges and improvements during the first five-year period, together with the maximum contribution you will be expected to pay, subject to an adjustment for inflation.

Notice of Estimates

If you purchased your property under the Priority Group Sales Scheme after 1 September 1995, you will have been issued with a 'Notice of Estimates' giving estimated costs of service charges and improvements during the first five years of your lease. This notice contains the same information as a 'Section 125 Notice' and sets an upper limit to the amounts which can be charged during the initial five years of the lease, subject to an adjustment for inflation.

It is important to remember that all **repair** estimates contained in 'Section 125 Notices' and 'Notice of Estimates' are binding on the council only for the initial five years of the lease.

For further information on Section 125 Notice and Notice of Estimates, please refer to the grid on pages 8 and 9.

The Major Works Invoice

Your major works invoice shows the total amount for estimated major works or external decorations that you will have to pay so far. In some circumstances you can spread the cost of major works and external decorations over a number of years. This is subject to certain conditions outlined below.

Summary of Estimated Cost for Major Works

The summary shows the estimated cost for major works to your property. The total amount is shown, together with the proportion you will have to pay.

The estimate will be subject to an audited final account, which may result in either an increase or decrease in your proportion of the final costs.

Service charges

Major Works Payment Methods

The council realises that not everyone will be able to pay for major works immediately. There are various measures that you can take to help make the payment easier.

Interest Free Payments

If you are the owner-occupier you can pay your bill in ten equal monthly instalments starting in October and finishing the following July. If you choose this method of payment, you will not have to pay interest on the amount outstanding.

Right to a Loan

If you receive a large service charge bill resulting from major works repairs (which you were notified about at the time of purchase in a Section 125 Notice' or 'Notice of Estimates') then you may have the right to a loan from the council. This right will exist for the first ten years after purchase and full details will be supplied to you by the council when a demand is issued.

The Deferred Repayment Scheme

This is a loan scheme run by the council and designed to help spread the cost of major works over an agreed number of years. Interest will be charged at a variable rate. You can choose the length of the loan which best suits your needs, provided that it is repaid well before the works are due to be renewed. For example, a loan for window repairs and repainting could be for only four years, but for a new roof it could be for twenty years.

The loan will involve a council mortgage on your home, which will be separate from any other mortgage you may have. Before taking out a council loan, you should compare the rate of interest offered by other lending sources. As with any other mortgage, your home may be at risk if you do not maintain the payments required. There is no initial charge for the scheme except the Land Registry fee. Only owner-occupiers are entitled to a loan.

A Private Loan

You can apply to your bank, building society, or other lenders for a personal unsecured loan to cover the cost of major works. Unsecured loans do not involve a mortgage, so your home is not directly at risk if you do not maintain the payments. But interest charges are generally higher than a mortgage, so you should check carefully the level of interest and other costs you will be charged, whether you can afford the repayments and what further costs or penalties may apply if you do not meet your repayment plan.

Service charges

Extending your mortgage

You may be able to apply for an extension of your existing mortgage, but you will need to speak to your mortgage lender. If you do extend your mortgage to cover the cost of major works, the interest is likely to be better than that offered by the council's own deferred repayment scheme.

A Savings Account

You can save towards the costs of major works, for example in a national savings scheme or bank or building society account. Then, when you receive the bill, you will have money in your account to help pay the outstanding amount. Also, while you are waiting for the bill you could be gaining interest on the balance in your account.

Claiming Benefit

If you are receiving income support, you may be able to get help with the cost of major works. You should contact the Benefits Agency who will advise you on how to claim. You must apply promptly after receiving the bill and certainly within 30 days, or you will not be entitled to benefit.

If your claim is refused, you have the right to appeal against this decision. You should contact your area housing team in the first instance if you need help with your appeal. Again, you must act promptly to avoid losing your right to appeal.

Discretionary Service Charge Reduction

In certain circumstances you may be able to have your service charges, including major works, reduced. A reduction will usually only be awarded on the grounds of exceptional financial hardship and you will need to prove that you have explored all possible options to raise the funds to pay for your service charges.

You should note that service charge reductions are discretionary, and apply to repairs, maintenance and improvement works. Garden maintenance and certain other works are excluded.

Further Advice

If you would like independent advice about handling debts or money management there are a number of advice services you can visit in Wandsworth. Alternatively, you can contact the National Debtline (please see contact section for all details).

Service charges

Payment of Service Charges The Summary of Costs

The Summary of Costs is enclosed with each annual service charge bill. It shows the actual costs of providing services and day to day repairs in the previous financial year. The total cost of providing services to your block and estate are shown on the summary. Your proportion has been worked out by applying the percentages shown in your lease agreement. Some properties are not on estates and so may only have a block percentage. A separate summary of estimated costs for major works and external decorations is enclosed where appropriate.

Councils are not required to produce a comprehensive breakdown of costs. They are required only to provide, if requested, a summary of costs. However, leaseholders in Wandsworth are sent a summary every year with their bills.

Inspection of Accounts and Management Audits

Under Section 22 of the Landlord and Tenant Act 1985, 125-year leaseholders have the right to inspect accounts, receipts and other documentation in support of the Summary of Costs. A time limit applies to inspection requests and begins on the date you receive your summary.

Under certain circumstances you may be entitled to apply for a **management audit**. An audit allows you to assess whether the council is efficiently and effectively fulfilling its obligation under your lease. To follow this course of action you will be required, at your own expense, to appoint an independent qualified accountant to conduct the management and financial audit on your behalf.

Further information on the inspection of accounts or management audit can be obtained from your area housing team, management co-operative or RMO.

Service charges

Annual Routine Service Charges

Under the terms of your lease you must pay your service charge bill within 14 days of receiving the invoice. However, if you are the owner-occupier it is possible to pay by monthly instalments starting in October and finishing the following July. If your payments start after October, there will be fewer instalments up to July, so the payment amounts will be higher.

Your lease also states that interest will be charged at the rate of **six per cent** above the current bank rate if payment is not received within 14 days. However, if you are the owner-occupier, no interest will be charged if you comply with arrangements to pay the council under the monthly instalment scheme. Leaseholders who have previously fallen into arrears may not be allowed further instalment facilities.

If you have paid by monthly instalment in the previous year, details of your new instalments will be printed on your bill.

There are several ways to pay your service charges, which are explained on the reverse of your bill.

To pay direct, our bank details are:

National Westminster Bank Plc – Wandsworth Council General Fund

Sort code **60-22-28**

Account number **69612544**

Please quote your eight-digit council account number as your payment reference.

Additionally you can pay by direct debit or credit card by telephone or online. There is a fee payable for credit card transactions (currently 1.4%).
Website: www.wandsworth.gov.uk/incomecollectionservice

Payment line: 0800 021 7763 (freephone).

Payments can also be made by cheque, please make cheques payable to Wandsworth Council. **Please DO NOT send cash by post.**

Forfeiture, Debt Judgment and Arrears

If you fail to pay your service charge demand and your account falls into arrears, you will be breaching the terms of your lease. If this happens, the council has the right to apply to the court for a judgment against you. If the debt remains unpaid, the council can apply to the court to forfeit your lease and you could lose your home.

Service charges

What is forfeiture?

Forfeiture is the termination of a lease resulting in ownership of a property reverting back to the landlord (the Mayor and Burgesses of the London Borough of Wandsworth).

When will a lease be forfeited?

The landlord may take action to forfeit a lease if the lessee has fallen into arrears with their routine service charge or major works bills and has failed to comply with a court order to pay off the debt. There are other instances when the landlord can forfeit the lease, for example anti-social behaviour. This section only deals with the issue of forfeiture resulting from a breach of the 'payment covenant' in the lease.

What are the consequences of forfeiture?

- Ownership of the property will pass back to the landlord.
- You will be required to move out of the property.
- The landlord can sell the property; however you will not be entitled to any monies received from the sale.
- You will remain liable for any mortgage on the property.
- Your name will be entered on the Central Register of County Court Judgments. This register is available to the public, banks, hire-purchase companies, stores and other credit agencies and entry onto the register may affect your credit rating. Your mortgagees will be informed of the action and given the opportunity to pay the debt on your behalf in order to protect their investment. If they decide not to pay the debt they also will not receive any money following the sale of the property.

How to avoid forfeiture

According to your lease, payment is due within 14 days of receiving an invoice for service charges, including major works. When you receive the annual invoice, if you are an owner-occupier, you will be given the opportunity to spread the cost of service charges over ten months from October to July. If you are renting out your property you must pay the full amount within 14 days of receiving your service charge bill.

By arranging to pay and keeping up to date, you will avoid legal action. However, if you do not clear any arrears and the landlord obtains a forfeiture order from the court, full payment of the arrears, interest and legal costs must be made before the date of repossession to avoid losing your property. If you want to challenge the reasonableness of your service charge bills, you have the right to make an application to the First-tier Tribunal Property Chamber (Residential Property) (FtT). For further information refer to the next section on the FtT.

Service charges

What is the procedure leading up to forfeiture?

Before the landlord can terminate the lease, the council must comply with a strict procedure. When an account goes into arrears, a reminder notice will be sent to the lessee offering instalments if applicable or advice on how to bring the account up to date. If the account remains unpaid after 28 days, a second letter will be sent giving 14 days to pay the account in full. Failure to pay on this occasion will result in the landlord applying to the County Court for an order that the charges are reasonable, unless the lessee has agreed and admitted the debt. **The lessee is strongly advised to obtain his or her own independent legal advice at this stage.**

Once an order has been obtained or the lessee has agreed and admitted the debt, the landlord will then ask the mortgagees to pay the arrears to protect their security.

If the arrears remain unpaid a Notice under S.146 of the Law of Property Act 1925 will be served on the lessee. This will refer to the part of the lease that has been broken and will give a further opportunity to pay off the arrears in full. If the arrears are not cleared, the landlord can then apply to the County Court for a forfeiture order. At the forfeiture hearing the landlord will ask the court to make an order for possession. Once the period stated in the order has passed, the landlord can ask the court bailiff to evict the lessee from the property if the debt has not been paid in full. Full payment of the debt will include legal costs and interest. Interest is usually 6% above the Barclays Bank base rate. The terms of the lease state the amount to be charged and it is not variable.

Relief from forfeiture

Even if the landlord complies with the procedural rules, the lessee may apply to the court for relief from forfeiture. Relief from forfeiture allows the lease to continue as it was on full payment of the debt. The lessee can apply to the court for relief at the same time as the landlord seeks a forfeiture order. The court will only grant relief if the arrears and costs are paid in full.

Contacting the council

If you are having difficulties paying your account, or are in arrears, then you should contact the leasehold and mortgage team to discuss the matter. Most queries are resolved by telephone or in writing. However, you can visit the finance reception to discuss your case with one of the revenue service collection officers.

Service charges

First-tier Tribunal Property Chamber (Residential Property)

The County Court no longer has the power to deal with an application to determine whether the level of service charges is unreasonable. This role is now undertaken by the First-tier Tribunal Property Chamber (Residential Property) (FtT). If you dispute your service charge bill and consider the costs to be unreasonable, you can make an application to refer the matter to the FtT. There is an application fee, the amount of which can be ascertained by contacting the FtT.

The FtT is an independent statutory body set up to determine, amongst other things, the reasonableness of service charges. If you intend to make an application you can apply to be heard in person or you may elect to have your application dealt with by written submission. The FtT office will be able to advise you further on this option.

The council can ask the County Court to make a 'money judgment' for service charge arrears, but the court is likely to refer the case to a FtT if you dispute the charges and want to determine their reasonableness. The council can also ask a FtT to determine the reasonableness of charges for proposed works.

A FtT can determine reasonableness in respect of charges such as:

- Repairs and maintenance to a block or estate
- Cleaning, gardening, lighting and other communal services
- Building insurance
- Professional fees

Further information about the FtT can be obtained by contacting:

HM Courts & Tribunals Service
First-tier Tribunal Property Chamber (Residential Property)
First Floor 10 Alfred Place
London WC1E 7LR

Phone:(020) 7446 7700

Fax:01264 78 50 60

Email:rplondon@hmcts.gsi.gov.uk

Website:www.rpts.gov.uk

National Enquiry Line:0845 600 3178

Forms can be obtained from:

.....www.justice.gov.uk/tribunals/residential-property

If you are disputing service charges, you must, in the first instance, inform your area housing team, management co-operative or RMO without delay. It may be that your dispute can be resolved quickly by your management service.

Service charges

Terms and Conditions

The council is obliged to repair and maintain the structure and exterior of your property and any services and installations to the block. It is also responsible for providing routine services such as, cleaning and lighting of communal areas.

You are responsible for the interior of your flat, including all fixtures and fittings. You may carry out, without the consent of the council, any repairs, decoration or general non-structural improvements. Alterations or improvements to the structure may not be carried out without the council's prior consent. This is separate from planning consent and building control, which may also be necessary. If the council agrees with your proposed alterations it is likely that an amendment to your lease is required. You will incur all legal fees in processing any amendment.

The terms and conditions of your lease can only be varied if the changes are agreed by you and by the council. If you need further information please contact your area housing team, management co-operative or RMO. If you carry out alterations or improvements to the structure or install equipment to either the common parts, external walls or exterior of the building (e.g. satellite receiver dishes, estate agents boards or signs) without the council's prior consent you will be in breach of your lease. This may result in the council taking legal action against you and could affect your ability to sell your property.

Consultation

The council is strongly committed to consulting with residents. Consultation will take place either on an individual basis or through representative forums such as, recognised tenants' associations, accredited residents' associations, Area Housing Panels, the co-op/RMO forum and the Borough Residents' Forum.

The council actively encourages residents to become involved in decisions that affect their homes and will always consult on important changes to policy and services.

General information

Recognised Tenants' Association

A recognised tenants' association is an association of leaseholders in a block or estate, recognised by a notice or certificate, under Section 29 of the Landlord and Tenant Act 1985 (as amended). Although tenants do not qualify under the Act, they can still be members of a recognised tenants' association.

The council will issue a recognition notice if certain criteria are met. These criteria are:

- The membership of the association should represent at least 60% of the flats in the block to which service charges are attributable.
- The rules of the association should be fair, covering issues such as election of officers, levels and collection of subscriptions and voting arrangements.
- The association should adopt an equal opportunities policy.

Recognised tenants' associations have a legal right to be consulted about all proposed major works to the block and/or estate. The council must give the association's secretary a notice containing a detailed specification of works. Members of the association can then nominate suitable contractors from whom the council may seek estimates for the work. The council must obtain at least two estimates and a copy of each estimate should be given to the association's secretary. All association leasehold members have the right to inspect the detailed specification of works and the estimates and to take copies at a reasonable charge, if required.

Where a block or estate does not have a recognised tenants' association and works are proposed, the council obtains at least two estimates and copies are given to each leaseholder concerned.

For further advice and information on setting up a recognised tenants' association or the consultation process, please contact the resident participation officer in your area housing team.

Accredited Residents' Association (ARA's)

Accredited Residents' Associations (ARAs) represent your views. If you want to get involved in decisions about your estate you should join your local residents' association. If there is not an association in your area, contact the resident participation officer in your area housing team for help in setting one up.

The council will consult ARAs on issues affecting housing management such as, managing estates and services. Association representatives also have the opportunity to make their views known at regular formal meetings operating under the council's consultation structure.

General information

Management Co-operatives and Resident Management Organisations

Management co-operatives and Resident Management Organisations (RMOs) are agents of the council. They are formed of an association of residents who have joined together to manage their own dwellings in partnership with the council. A legally binding agreement between the council and the co-operative sets out the responsibilities of each party, together with financial arrangements and procedures to be followed.

Once established, co-operatives or RMOs have full responsibility for the general housing management of the estate such as day-to-day repairs, cleaning and garden maintenance. The co-operative may employ its own staff and contractors. It may also take responsibility for rent collection or accounting, billing and collection of service charges.

The income made by a co-operative or RMO is derived mainly from allowances paid to the council for tenanted dwellings and from service charges paid by leaseholders. The cost of services which a co-operative does not provide, such as building insurance and major works charges, are assessed and charged by the council.

For further information and advice on co-operatives and RMOs, please contact the resident participation officer in your area housing team.

The Right to Manage

The council supports your greater involvement in the management of your estate. You may be able to pursue the right to manage your estate by setting up a Resident Management Organisation (RMO) to run all or some of the services normally provided by the council. There are a number of specialist agencies, approved and funded by the Government, who work directly with residents' groups to develop such organisations.

You can get help and advice on setting up a Resident Management Organisation by contacting the resident participation officer in your area housing team.

General information

Enfranchisement - Buying the Freehold

Long leaseholders of flats (that is, if you were granted a lease of more than 21 years) have the right to buy the freehold of their building as a group if they and their block qualify. This is known as the right to 'enfranchise'. Once they have bought the freehold, leaseholders can decide for themselves how to manage their block and they will take over the council's responsibilities.

The council will assist qualifying leaseholders, who want collectively to purchase the freehold of their block (enfranchise), in cases which meet the legislative requirements. The legislation in this area is complex and to establish whether you qualify it is suggested that you should contact the Home Ownership Team in the first instance, but you may also choose to obtain your own independent legal advice.

Enfranchisement has proved particularly popular among residents of converted street properties and small 'infill' blocks where all properties are in leasehold ownership.

Buying a New Lease

Leaseholders have the right to renew their lease. A new lease can be bought which adds another ninety years to the time left to run on the existing lease. To qualify you must have held your lease for at least two years.

More information about buying a new lease can be found in the booklet entitled **Leasehold Flats - Your right to buy the freehold of your building or renew your lease**. For further information and advice please contact your area housing team, management co-operative or RMO.

General information

Selling your Property (Assignment of Lease)

If you applied to buy your property under 'Right to Buy' after 18 January 2005, then the council has the right to 'buy back' your property. You will need to contact the home ownership team to find out if the council wishes to exercise this right.

If you wish to sell your property, the council will on written request, provide you or your solicitor with any relevant factual information. There is a charge for this service. When requesting information you should give the council as much notice as possible.

You may find it helpful if your solicitor has a copy of your lease, together with any five year binding estimates of service charges, details of routine and major service charges over recent years and any consultation notices for work about to be carried out.

When your lease is assigned, all service charge arrears, including deferred loans, must be cleared on completion of sale. The council will not be party to the apportionment of outstanding service charges between leaseholders and purchasers. It is your responsibility to ensure that your solicitor resolves this and having done so, retains sufficient monies for charges not yet billed.

General information

Repayment of Discounts

If you bought your home with a discount and you sell it within the 'discount repayment period' you will usually have to repay some or all of the discount. The amount you repay and the discount repayment period that applies will depend on when you made your application.

If you applied for the Right to Buy **before** 18 January 2005 or completed on a sale under the Priority Group Sales Scheme and sell within three years of buying your home, the sum to be repaid will be a percentage of the discount you received as shown in the table below:

Time scale	Percentage of discount
Resold within the first year	100%
Resold within the second year	66.66%
Resold within the third year	33.33%
Resold after the third year	0%

If you applied for the Right to Buy from 18 January 2005 onwards and sell within five years of buying your home, then the sum to be repaid will be calculated under some rather complicated rules introduced by the Housing Act 2004. The example on page 33 should help you understand these rules. If any further help is needed in calculating the sum which you would have to repay, or in understanding these rules, please contact the home ownership team.

Generally, the rules say that the sum to be repaid will be a percentage of the resale price of your lease. In calculating the resale price, any improvements you have made to your home since you purchased it, will be disregarded. The percentage used in the calculation will be equal to the discount you were allowed when you bought your home, expressed as a percentage of the value of your lease when you purchased it. The percentage of the sum arrived at by this calculation will reduce by 20% for each full year which passes after the date when you purchased your lease, as shown in the table below.

Time scale	Percentage of calculated sum to be repaid
Resold within the first year	100%
Resold within the second year	80%
Resold within the third year	60%
Resold within the fourth year	40%
Resold within the fifth year	20%
Resold after fifth year	0%

General information

For example:

If the value of your lease was £160,000 when you purchased it from the council and you received a discount of £16,000 that means that your discount was 10% of the value of your lease.

If you wish to sell your lease within the second year of purchase and you sell it for £180,000 and you have not made any improvements that add value to the property, then the amount to repay will be calculated as follows:

$$\begin{aligned} \text{Amount to repay} &= £180,000 \times 10\% \times 80\% \\ &= £14,400 \text{ to be repaid} \end{aligned}$$

Some sales, remortgages or transfers are exempt from the requirement to repay discounts e.g. transfers between certain family members. In addition, in exceptional circumstances of hardship the council can decide to waive all or some of what you owe.

If you are remortgaging your property within the discount period, your lender may ask the council to provide a letter of postponement.

From 18 January 2005 if, in advance of your purchase or within the discount repayment period, you enter into an agreement to transfer your property to a third party in the future, then this will trigger the repayment as mentioned above.

For further information on repayment of discount rules and letters of postponements please contact the home ownership team.

General information

Subletting

In general, you may sublet your property but only as a single/private dwelling. However, you must always notify the council (area housing team, management co-operative or RMO and finance department) of:

- The date you intend to sublet your property
- Your forwarding address for correspondence in case the council needs to contact you

Please note that if you are not living at your leasehold property you will not be entitled to pay future service charge and major works invoices by instalments. Therefore, you will need to pay within 14 days as stated in your lease agreement. If you are currently subletting your property you should contact the income collection service about your instalment plan.

If you purchased your property under the Priority Group Sales Scheme and you sublet during the first three years of your lease, the council may ask you to repay the discount you received.

If you have a council mortgage, you will need to obtain permission from the council before you sublet. If you have a bank or building society mortgage, you may be required to inform and/or obtain permission from your lender.

If you sublet your property, you are responsible for ensuring that it is used in a reasonable manner as set out in your lease agreement and that your tenants are aware of their responsibilities and obligations. You will be responsible for the behaviour of your sub-tenants and must ensure that they do not cause nuisance to neighbours.

Anti-Social Behaviour

The council is committed to a policy of dealing very firmly with anti-social behaviour and will take reasonable steps to investigate complaints and where appropriate, take action against leaseholders and/or tenants, which could result in those responsible losing their homes.

Information

In addition to a variety of leaflets, the council publishes a regular newsletter called 'Homelife'. This is published at least four times a year and keeps residents informed of service developments and policy changes. Alternatively you can get further leasehold information on the council's website: www.wandsworth.gov.uk/leaseholders

Useful contacts

Housing Department

If you do not know which area housing team manages your property contact:(020) 8871 8327
Email:hms@wandsworth.gov.uk
Website:www.wandsworth.gov.uk/housing

Postal address

Housing Department
Wandsworth Council
Town Hall
Wandsworth High Street
London
SW18 2PU

Visiting address (please check with the service first as you may need to make an appointment)

HCS Customer Service Centre
90 Putney Bridge Road
London
SW18 1HR

Area Housing Team

Generally, as a leaseholder your first point of contact is your area housing team.

- Central area team(020) 8871 7481
- Eastern area team(020) 8871 7439
- Southern area team(020) 8871 7482
- Western area team(020) 8871 5530

Co-operative and RMO residents should check local arrangements with their co-op or RMO office.

Housing Emergency Numbers

- Wandsworth Emergency Control (WEC)(020) 8871 7490
- Emergency Wardens and WATCH Lifeline Service(020) 8871 8198
- Warden Services (24 hours)(020) 8871 7741

Council services

- Communal Heating and Hot Water0800 389 1472
- Door Entry System Defects(020) 8871 6872
- Estate Cleaning(020) 8871 7445/7446
- Graffiti Removal(020) 8871 7049
- Hate Incident and Harassment Hotline(020) 8871 6829
- Lift Defects(020) 8871 7042
- Noise Complaints (Fri & Sat 11pm to 7am):
[noise from council-managed properties]
housing department(020) 8871 7490
- Noise Complaints
[noise from private properties] environmental services(020) 8871 7869

Useful contacts

Other Council Services

Wandsworth Council (switchboard) (020) 8871 6000
Website: www.wandsworth.gov.uk

Home Ownership Team

- Buying your freehold.....(020) 8871 8169/7525
- Repayment of discounts or letters of postponement(020) 8871 8150

Visiting the office – please check with the service as an appointment may be required:

HCS Customer Service Centre, 90 Putney Bridge Road, London SW18 1HR.

Email: housesales@wandsworth.gov.uk

Website: www.wandsworth.gov.uk/homeownership

Deeds Clerk

- Obtaining a copy of your counterpart lease(020) 8871 6015
- Paying for a copy of your counterpart lease(020) 8871 8166

Room 162 Town Hall, Wandsworth High Street, London SW18 2PU

Email: deedsclerk@wandsworth.gov.uk

Website: www.wandsworth.gov.uk/councilleaseholders

Finance Department

Income Collection Service

Enquiries about how to pay(020) 8871 6299
(instalments, arrears or financial difficulties)

To make a card payment.....0800 021 7763 (freephone)

Email: landm@wandsworth.gov.uk

Online payments: www.wandsworth.gov.uk/incomecollectionservice

Insurance Section - finance department

Requesting a claim form (office hours).....(020) 8871 6413/ 6414

Fax:(020) 8871 8788

Email: insurancegroup@wandsworth.gov.uk

Property Accounts Section – finance department

Insurance schedules and sum insured queries(020) 8871 7282

Email: propertyaccounts@wandsworth.gov.uk

Visiting the finance department – please check with the service as you may need to make an appointment:

Town Hall, Wandsworth High Street, London SW18 2PU

Opening hours 9am to 4.30pm (Mon-Fri)

Email: landm@wandsworth.gov.uk

Website: www.wandsworth.gov.uk/leaseholders

Useful contacts

Other Agencies

Citizens Advice Bureaux

Please check opening times.

Battersea CAB

Battersea Library
265 Lavender Hill
London SW11 2JB

Roehampton CAB

166 Roehampton Lane
London SW15 4HR

Email:enquiries@wandsworthcabx.org.uk

Website:www.wandsworth.cabx.org.uk

Phone:(020) 7042 0333

National Debtline

Free independent advice for people in financial difficulties.

Phone:0808 808 4000

Website:www.nationaldebtline.co.uk

First-tier Tribunal Property Chamber (Residential Property)

HM Courts & Tribunals Service
First-tier Tribunal Property Chamber (Residential Property)
Residential Property
First Floor 10 Alfred Place
London WC1E 7LR

Phone:(020) 7446 7700

Fax:01264 78 50 60

Email:rplondon@hmcts.gsi.gov.uk

Website:www.rpts.gov.uk

National Enquiry Line:0845 600 3178

Forms can be obtained from:

.....www.justice.gov.uk/tribunals/residential-property

National Helpline

For financial advice and assistance0845 600 3178

This contacts list is not exhaustive, there are many other agencies available.
Please seek independent advice as required.

Appendix 1: Building insurance

This Summary provides you with an outline of the Material Damage Policy issued to Wandsworth Council. It is supplied for information only and does not form part of the policy. Full details can be obtained from the council.

RENEWAL DATE: 1 April
NAME OF INSURED: Wandsworth Borough Council
POLICY NUMBER: QLA- 01E231-0433

1. INSURANCE PROVIDED

In the event of DAMAGE to the BUILDINGS by any of the INSURED PERILS, the INSURER will provide indemnity by reinstatement, payment, replacement or repair. If the BUILDINGS have not been maintained in good repair, a possible deduction for wear and tear may be made.

2. DEFINITIONS

a) BUILDINGS

The structure of the private dwellings (including landlords fixtures and fittings), its outbuildings, yards, forecourts, car parks, terraces, drives and paths, walls, gates, fences, hedges, foundations, piping, ducting, cables, wires and associated control gear relating thereto but only to the extent of the insured's responsibility.

In the case of leasehold flats, the definition of BUILDINGS also includes common parts of the structure in which the private dwelling is situated, such common parts being defined in the title deeds.

b) SUM INSURED

The sum insured is an amount, which represents the total cost of completely rebuilding the BUILDINGS insured including Professional Fees, Removal of Debris and Public Authority requirements at the time of reinstatement.

c) DAMAGE

Material loss, destruction or damage

d) INSURER

Zurich Insurance Company

e) INSURED PERILS

- Fire, Lightning, Explosion, Aircraft or articles dropped from them
- Riot, Civil Commotion, Strikers, Locked-out Workers
- Malicious Persons, excluding DAMAGE in respect of any buildings which have been empty or not in use for more than 30 consecutive days
- Earthquake
- Storm or Flood, excluding DAMAGE
 - i) caused by frost, subsidence, ground heave or landslip
 - ii) attributable solely to change in the water table level
 - iii) in respect of movable property in the open, fences and gates
- Escape of Water from any tank apparatus or pipe excluding DAMAGE in respect of any buildings which have been empty or not in use for more than 30 consecutive days.
- Theft damage to the BUILDINGS involving entry to or exit from the BUILDINGS by forcible or violent means or such attempt, excluding DAMAGE in respect of any buildings which have been empty or not in use
- Impact by road vehicle or animal not belonging to or under the control of the insured

Summary of cover

- Breakage or Collapse of Television or Radio Signal receiving apparatus
- Accidental Breakage of fixed glass and or sanitaryware except in respect of any buildings which have been empty or not in use.
- Accidental damage to supply pipes and cables
- Falling trees or branches (excluding the cost of removing the tree or branch)
- Leakage of oil from any fixed oil fired installation including smoke and smudge damage arising from defective vaporisation
- Subsidence, Ground Heave or Landslip

3. OTHER INTERESTS

It is agreed and understood that where the INSURED so intend the interests of parties other than the INSURED in the insurance are admitted, the nature of such interests to be declared in the event of loss.

4. COST OF ALTERNATIVE ACCOMMODATION

The insurance cover for the cost of alternative accommodation applies only whilst any part of the BUILDINGS is sufficiently damaged to render it unfit for occupation. The amount payable will not exceed 20% of the Sum Insured on buildings.

5. EXCESS

The INSURER will not be liable for the first £1,000 per block in respect of Subsidence, Ground Heave or Landslip.

6. INDEX LINKING

The sum insured will be revised as necessary at each renewal in accordance with the Building Cost Index or similar.

7. EXCLUSIONS

The INSURER will not be liable for

1. Radiation
2. War Risks, Government or Public Authority Order
3. Sonic Bangs
4. Pollution or contamination
5. Property more specifically insured
6. Terrorism over £2.5 million

8. CONDITIONS

- | | |
|---------------------------|---------------------------|
| 1. Policy Interpretation | 7. Contribution |
| 2. Warranties | 8. Fraud |
| 3. Reasonable Precautions | 9. Reinstatement |
| 4. Misrepresentation | 10. Arbitration |
| 5. Alteration in Risk | 11. Cancellation |
| 6. Claims Procedures | 12. Reinstatement Average |
| (a) Action by the Insured | |
| (b) Rights of the INSURER | |
| (c) Subrogation | |

Many insured perils contain additional exclusions, full details of which can be obtained from the authority.

Full details of any EXCLUSIONS, EXTENSIONS or CONDITIONS can be obtained from the Authority

Notes



If you have questions about this booklet or if you need it in a different format (for example, large print) please phone (020) 8871 6800.

www.wandsworth.gov.uk/leaseholders