

**A1 HOUSING**  
**NOTES FROM LEASEHOLDERS CONSULTATION EVENTS**

**3 & 4 JULY 2007**

**Present**

Mrs	E	Underwood	Worksop
Mrs	C	Ebanks	Worksop & A1 Housing
Ms	J	Thorpe	Retford
Mr		Nos	Worksop
Mrs	M	Lipscombe	Worksop
Ms	S	Wilkinson	Retford
Mrs	L	Durrant	Worksop
Mrs	P	Barnes	Worksop
Mr	R	Strickson	Worksop
M	A E	Bierton	Worksop
Ms	M E	Edwards	Retford
Mr	R	Taylor	Retford
Mr/Mrs	J	Fisher	Retford
Mr	Jim	Fieldhouse	A1 Housing
Mrs	Wendy	Pigott	Bassetlaw District Council
Mr	Jeff	Dyson	A1 Housing
Mr	Tony	Matthews	Worksop
Mr	Phil	Fores	A1 housing

**Apologies**

Miss	A C	Tipson	Worksop
Mrs		Gunn	Worksop
Mrs	J	Houghton	Worksop
Mr	M	O'Sullivan	Worksop
Ms	J	Thorpe	Retford
Mrs	N	O'Donovan	Mansfield
Miss	P	Harrison	Retford
Mrs	D M	Waite	Retford
Ms	K	Bloom	Retford
Mrs	E	Tite	Worksop
Ms	J	Wilkinson	Worksop
Mr	T	Ridley	Worksop

**Background Information – Jeff Dyson (Asset Management Officer)**

Following the Audit Commission Inspection In February 2007, A1 Housing has been graded one star “ a fair service that has excellent prospects for improvement ”. A1 Housing was hoping for a minimum of a 2 stars grading in order to access the funding required for implementing the Decent Homes programme. However the Audit Commission have indicated that A1 Housing is very close to achieving the 2 stars. As a consequence, the Audit Commission are going to reinspect A1 Housing in September 2007.

The Audit Commission identified the following weaknesses with regard to leaseholder services:-

<b>Weakness</b>	<b>Action to address weakness</b>
No single point of contact	Single point of contact now established – Asset Management Officer
Incomplete range of services offered to leaseholders	Range of new services now offered to leaseholders (see below)
No communications register for leaseholders	A communications register has now been established indicating how our leaseholders wish to receive communication.
No Service Level Agreement with leaseholders.	A Service Level Agreement currently being drafted in consultation with leaseholders (see later section)
Limited options for payment of service charges	Services charges can now be paid by direct debit in addition to previous methods.
Slow progress in respect of development of plain English lease	A1 Housing working in conjunction with Bassetlaw District Council on this. (see later notes).
No information provided to leaseholders in respect of voluntary sinking funds.	The function of voluntary sinking funds has been described in the consultation invitation letter sent out in July 2007.
Quality of consultation with leaseholders is not high	Two consultation events have been held in July 2007. The level of consultation will be set out in the Service Level Agreement (see later)
Communications with leaseholders requires improvement	Communications with leaseholders will be on a par with tenants. The agreed standard will be set out in the Service Level Agreement. A leaseholder web page on the A1 Housing web site has been set up, and a “Leaseholder Corner” column has been established in the “In Touch” newsletter.

### Survey of leaseholders

The newly appointed Asset Management Officer sent a questionnaire to all 150 leaseholders. 41 leaseholders returned the questionnaire including 2, which were incomplete. Of the 39 completed questionnaires, 31 leaseholders said that they were interested in receiving at least one of the new additional services A1 was now offering. The results are as follows:

	<b>Yes</b>	<b>No</b>
<i>Are you interested in having your boiler / fire appliance serviced annually and repaired if a breakdown occurs?</i>	28	10
<i>Are you interested in having a periodic (12 month) check of your electrical system?</i>	20	18
<i>Are you interested in having the option of a repairs and maintenance call-out service? (e.g. for plumbing / joinery / electrical work, etc)</i>	25	13

### Communications Register

The leaseholder questionnaire will be sent out again to those leaseholders that did not respond first time round. It will be assumed that those leaseholders that do not reply prefer to be communicated by letter.

## **New Services Available to Leaseholders – Phil Fores (Operations Manager-Repairs)**

The Buildings Repairs Service (BRS) of A1 Housing has been awarded the following accreditations: -

Government charter mark

- I.S.O. 9001
- Two ticks award – positive about disabled people
- Investors in People
- Institute of Plumbing - Registered Plumber
- CORGI (Registered Gas Fitters)
- Member of Electrical Contractors Association

### **Gas Servicing**

The A1 Housing gas servicing contract is run by Gas Maintenance and Training (G.M.& T.). It currently services over 5000 A1 Housing appliances. It is a statutory requirement that all gas service appliances are serviced at least annually. It is the landlord's responsibility to ensure that this happens. If a leaseholder is subletting his/her property, this responsibility rests on the leaseholder.

The contract for the gas service maintenance was market tested. G.M. & T. won the contract based on value for money and quality. The annual service charge made by G.M.& T. (excluding repairs) is £50. If a leaseholder requires this service, then the agreement is with G.M.& T. and not A1 Housing. G.M.& T. issue a certificate on completion of a successful gas service.

### **Housing Repairs**

The BRS is proposing to offer joinery, plumbing, brickwork, electrical, and minor internal works service up to a value limit of £200 to leaseholders. Internal works can be ordered by contacting the repairs call centre on 0800 590542. The repair will be completed within 4 hours, 24 hours, 3 days, 10 days, or 25 days depending on the nature of the repair. Appointments will be made for all repairs. An emergency out of hours service for all trades will be available between 5 p.m. and 8 a.m. Monday – Friday and all day Saturday and Sunday. The service levels will be exactly the same as those offered to A1 Housing Tenants.

### **Scope of works**

The repairs could include:

Joinery – faulty locks, glazing, doors, kitchen cabinets.

Electrical repairs – switches, sockets, florescent lights, consumer units, and periodic tests.

Plumbing repairs – taps, wastes, ball valves, overflows, pipe leaks, traps.

Brickwork repairs – wall ties, plaster, floor finishes.

### **Question and Answer Session**

<b>Question</b>	<b>Answer</b>
Why can't leaseholders arrange to clean out their own gutters?	The lease prevents leaseholders from doing this as it could present a health and safety issue for the

	leaseholder
Why are some leaseholders being threatened with court action for non-payment of repairs sanctioned by A1 Housing?	(The answer to this question was not known at the time of the consultation, however following further investigations the following answer is available) This question relates to a repair carried out to a communal area that was requested by a tenant. Under the long leaseholder agreement, leaseholders are obliged to pay their share of such repairs. This is detailed in the Leaseholder Handbook. In this instance, the leaseholder had no acknowledgment of repairs letter giving advance notice that the repair had been ordered. In order to avoid such a situation arising again, all leaseholders will receive an acknowledgement of repairs letter for communal repairs.
What does A1 Housing do to earn the management fee?	A1 Housing will work with leaseholders to agree a clearer format in relation to the management fee invoice, which will break down the various components of the management fee.
If a gas service appliance fails the annual service what happens?	The appliance is repaired. If it is not possible to repair the appliance, the gas supply to the appliance is shut off and the gas appliance is labelled faulty.
Why don't A1 Housing staff clean up after their repair?	The service standard dictates that all operatives should treat resident's property with the utmost respect and clean up after the repair. Breach in this service standard should be reported to the customer services management on 01909 534520.
Why do leaseholders pay management fees?	The fees covers services provided by the Financial Analyst, the Tenant Participation Officer, Contact Centre staff, Housing Relationship Manager, Insurance Officer, and Debt Recovery Officer and Housing Management Services.
Why are there different versions of the lease?	There are a number of different versions of the lease as leaseholders started purchasing under the Right to Buy provisions over 20 years ago. As legislation and service standards have moved on, it has been necessary to amend certain clauses within the lease.
Can you give an indication of how much A1 Housing will charge for repairs?	This is commercially sensitive information. However any leaseholder wishing to have a quote for a specific repair will be given a quotation based on A1 Housing's schedule of rates.
If a leaseholder signs up to the gas-servicing contract, will a reminder be issued?	Yes
If you have a gas-servicing contract do you pay A1 or G.M.& T.?	G.M.& T. will issue a 30-day invoice. Payment should be made direct to G.M.& T.
Can out of hours appointments be made?	Appointments can be made for Tuesday and Thursday evenings and for Saturday mornings.

How can leaseholders be assured with regard to the quality of repairs carried out?	Leaseholders will receive a customer satisfaction-rating card after each repair or improvement. If customers have issues which require urgent attention they should call the repairs call centre on 0800 590542 or for Decent Homes work they should make contact with the Tenant Liaison Officer.
How do leaseholders obtain a quote for a repair?	Ring the call repair centre on 0800 590542

## **How Decent Homes Affects Leaseholders – Jeff Dyson (Asset Management Officer)**

In 2000 the Government made a pledge that all social housing should reach a Decent Homes standard by the year 2010. This has now been extended to 2013. A Decent Home must: -

- Meet current statutory requirements irrespective of housing health and safety rating system (H.H.S.R.S.)
- Be in a state of reasonable repair
- Have reasonable modern facilities and services
- Provide a reasonable degree of thermal comfort

Under the lease agreement, A1 Housing is responsible for the repair and maintenance of the external fabric of the building and the common parts of the building and estate. The Decent Homes standard, will therefore relate only to the external fabric of your home and estate works, which are relevant to your property.

### **Leaseholders works included within the Decent Homes standard**

#### *Estate work:*

This includes boundary fences, gates, play areas, landscaping, security fencing, improved lighting and door entry systems.

#### *Blockwork: -*

This includes roofs, windows, external doors, external walls, lintels, rainwater gutters and pipes, insulation work, communal boilers, communal lifts and drainage.

### **Who will carry out the Decent Homes work?**

It is estimated that the Decent Homes work required to A1 Housing will cost in the region of £62 million. With a contract of this size, it has been necessary for A1 Housing to enter into a long-term agreement with a major construction partners. Connaught Property Services Ltd has been appointed to carry out the Decent Homes programme within the Worksop area. Bullock Construction Ltd has been appointed to carry out the Decent Homes programme in the Retford area. These two national construction companies were appointed after tending for the work under the European Procurement Rule. The criteria for selection was based on 70% quality and 30% price. By entering into a long-term partnership arrangement with major national construction companies, A1 Housing is able to benefit from the economies of scale that these companies enjoy. This provides leaseholders and tenants (our customers) with value for money.

All leaseholders received a letter in April 2005 giving notice that A1 Housing intended to enter into a long term agreement with the Decent Homes partners in order to implement the Decent Homes programme.

A Notice of Proposals to carry out works under a long-term agreement will be sent to all leaseholders once all of the survey data has been analysed and the estimated costs have been calculated.

Leaseholders will receive 21 days notice of any Decent Homes work taking place. The partner's Tenant Liaison Officer will call at least 14 days prior to commencement of the works in order to answer customers' questions. Further contact will be made 7 days prior to commencement of the works advising customers of a point of contact should they have any further queries.

### Question and Answer Session

<b>Question</b>	<b>Answer</b>
Will A1 Housing be consulting on all repairs, which cost more than £250 per leaseholder?	Yes. A1 Housing will continue to consult with leaseholders should any repair cost a leaseholder more than £250. This does not apply to Decent Homes work as leaseholders have already been advised that A1 Housing had entered into a long-term agreement for the Decent Homes programme in April 2005.
Is the Decent Homes standard the same for tenants and leaseholders?	Tenants have the Decent Homes Plus standard. Leaseholders have the Decent Homes standard. The slight variation in standard should save leaseholders money, as they will not be forced to install new high security doors or double-glazed windows where the current arrangements are satisfactory.
Can leaseholders opt for the Decent Homes Plus standard if they want?	Yes. If leaseholders want the Decent Homes Plus standard they should contact the Decent Homes partner as soon as possible to advise them of their wishes. The appropriate contributions have to be paid by the leaseholder for this work.
Do leaseholders have to pay a proportional cost for new external doors or new double glazed windows?	A leaseholder will have to pay all of the cost of a new high performance door or a new double glazed unit if they exclusively benefit from the installation.
How can A1 Housing ensure that the Decent Homes partners remain competitive through time?	The Decent Homes partners are required to meet key performance indicators on a quarterly basis.
How long are the Decent Homes partners contracted for?	Until completion of the Decent Homes programme

### **Financial Update - Wendy Pigott (Housing Relationship Manager Bassetlaw District Council)**

For the sake of clarification, the Bassetlaw District Council is the landlord. The landlord grants a long lease to the leaseholder. A1 Housing manages the leasehold property on behalf of Bassetlaw District Council.

### Methods available for paying service charges

- Direct Debits
- Debit card/credit card – this can be done in the Bassetlaw District Council cash halls or over the telephone or the Internet.
- Cash or cheque – at Bassetlaw District Council cash halls, or through the post by cheque.
- Bank transfer

### Loans for leaseholders

A leaseholder may need to apply for a loan in order to finance an improvement or repair to their property or to help out with a payment of a service charge. Loans are available from high street lenders, the voluntary sector, or Bassetlaw District Council as a lender of last resort.

Leaseholders are advised to seek professional advice when taking out a loan for example from the Citizens Advice Bureau.

The Bassetlaw District Council is able to be a lender of last resort to provide loans for people who are most vulnerable and have nowhere else to go for assistance. The type of loans which are available are :-

- Discretionary, repayable on a monthly basis
- Discretionary repayable on the sale of the leasehold property.

### Eligibility for discretionary loans – monthly payment

1. The leaseholder must live in the property
2. The leaseholder must be unable to borrow from a high street lender
3. The leaseholder should have sufficient equity in the property to cover the loan taking into account an existing mortgage or any other loans secured against the property.
4. The leaseholder must be able to meet the repayments with interest.

### Eligibility for discretionary loans – repayable on sale

The criteria are the same as the discretionary loans – monthly repayment, except if the leaseholder cannot meet the monthly payments, the loan is repaid with interest added on, when the property is sold.

The discretionary loans are only available to those leaseholders that are unable to obtain a loan from a high street lender. Applicants for these loans should bear in mind that the interest rates are set by the Government, and can be higher than high street lender rates.

### Mandatory loans

Mandatory loans are also available to cover service charges in respect of repairs or improvements, but leaseholders please note the following: -

- They do not cover the full amount of the service charge
- The loan only covers that part of the charge, which exceeds £1500
- The minimum amount of loan is £500
- A mandatory loan is only available in the first 10 years of the lease.

### Sinking funds

A sinking fund is basically a savings account into which a leaseholder pays a sum of money annually towards future major works to a block of flats or maisonettes. When major improvements or repairs are carried out to the block, funds are drawn from the sinking fund to

help pay for the improvements or repairs. The Bassetlaw District Council does not operate any sinking funds currently.

In order to administer a sinking fund for a block of flats, all leaseholders in that block have to agree to contribute. Contributions are based on the estimated future repair/improvement costs plus interest. Any sinking fund established would be a voluntary sinking fund as there is no requirement within any of the existing leases for sinking funds to be established.

Question and Answer Session

Question	Answer
Do tenants have to pay into a sinking fund?	No
If a leaseholder contributes into a sinking fund, would that money be returned to the leaseholder on sale of the lease?	No
Does any new purchaser, buying off an existing leaseholder have to buy into an existing sinking fund	No

All the leaseholders unanimously agreed that they were not interested in a voluntary sinking fund. They did not feel it was an appropriate way to provide for future repairs bills and preferred to make their own provision via saving schemes, which they felt would be in their control and would receive a better rate of interest. They did not agree that a sinking fund could be seen as an asset at the point of sale – they viewed it instead as ‘paying for some one else to benefit’. (Subsequent to the consultation events A1 have not received any expressions of interest from any of those leaseholders unavailable to attend.)

Legal update

The Audit Commission is keen to ensure that leaseholders benefit from plain English leases. Solicitors for Bassetlaw District Council are currently working on a second draft of a plain English lease. When approved, solicitors acting for purchasing leaseholders will use the plain English lease.

With regard to existing leases, Bassetlaw District Council has commissioned solicitors to write an explanatory leaflet, which will help existing leaseholders interpret the terms of their current lease. As soon as this is available it will be distributed to all leaseholders for information purposes.

Leaseholders were asked their opinion on the Council providing a plain English lease for new leaseholders. However, they could not see the benefit of this if an explanatory guide was in place. They felt that even if the lease was in plain English there could still be areas that were not fully clear or understandable to them.

Leaseholders were asked if they would be willing to read the draft explanatory guide in order to ensure it was clear and understandable. All were happy to be part of the consultation process.

(Following the consultation events it was agreed that the Council would not continue developing a plain English version of the lease at this time but that it would be kept under review.)

## **Review of Service Standards- Jim Fieldhouse (Tenant Participation Officer)**

Leaseholders present were invited to suggest what aspects they would like covering in a Service Level Agreement.

Various issues under the following headings emerged.

- Communications
- Maintenance Service
- Housing Management Service
- Service Charges

The Tenant Participation Officer said that he would draw up a Service Level Agreement incorporating these issues. (This is now enclosed and leaseholders are requested to confirm their agreement to the proposed Service Level Agreement by completing the Service Level Agreement Consultation Form enclosed)

### **Plans For Involving Leaseholders**

Leaseholders are routinely invited to the annual Tenants Conference and the annual Consultation Day. These invitations are in the In Touch newsletter that all leaseholders receive quarterly.

Leaseholders will have at least one special annual meeting prior to the setting of the Service Charges.

Interested leaseholders are invited to join a customer panel called the A1 Hundred Club that meets at least two times a year to consult and involve customers on a range of new and existing issues, procedures and policies. Please tick the feedback consultation form where appropriate if you wish to join.