



Ongo Homes

Section 20 Consultation Policy

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Led by:	Karen Cowan – Head of Customer & Support Services
Written by:	Erica Sanderson – Policy & Research Officer
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Agreed by:	Heads of Service
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1. Our policy is...

- 1.1 The law requires us to consult with leaseholders and certain tenants before we carry out works above a certain value or enter into a long-term agreement for the provision of services. This is referred to as **Section 20 Consultation**.
- 1.2 We will adhere to statutory consultation guidelines set out in Section 20 of the Landlord & Tenant Act 1985 as amended by the Commonhold and Leasehold Reform Act 2002 when we plan to carry out works to the structure of a building or when we plan on changing the provider of the services we offer.

2. It applies to...

- 2.1 This policy applies to ...
- Residential Leaseholders, including those who sub-let their leasehold properties;
 - Tenants who pay de-pooled service charges (referred to as tenants throughout this policy).

3. Because we want to...

- 3.1 The aims of this policy are to make sure that:
- All parties comply with the terms of each individual lease or tenancy agreement;
 - All parties comply with legal and regulatory requirements with regard to consultation;
 - We recover all of our appropriate costs for the provision of maintenance and services.

4. We will...

- 4.1 Consult with our leasehold customers on:
- Any piece of work that may cost that leaseholder more than £250;
 - Where we enter into a contract for services which will cost a leaseholder or tenant more than £100 per annum;
 - Where we are entering into a long term agreement to provide an ongoing service (such as our Direct Labour Organisation (DLO)).
- 4.2 Have dedicated procedures in place to administer Section 20 Consultations.
- 4.3 Give our leasehold customers/tenants the opportunity to comment, make observations or, in some cases, nominate a contractor of their own choosing for the works and services we have planned to undertake.

- 4.4 Not be able to collect or recover service charges above the level of the statutory minimum amounts if we fail to carry out the full consultation procedures in the correct manner. Non-compliance caps recovery of repair and improvement works to £250 and for payment of services to £100 per annum.
- 4.5 Undertake the works and make an application to the First Tier Tribunal (Property Chamber) for dispensation from the procedure when an emergency repair is necessary where consultation would normally be required.
- 4.6 Apply a 5% discount for all major works bills that are paid in full within 28 days of the date of the bill.

5. Making sure we do what we say...

- 5.1 The Head of Customer & Support Services is responsible for monitoring the service and ensuring that it complies with the requirements of this policy.
- 5.2 The Leaseholder & Building Services Manager is responsible for ensuring that this policy is implemented.
- 5.3 All employees who are involved in authorising planned improvement works and repairs, procuring services or providing advice and assistance to customers are responsible for ensuring they comply with the requirements of this policy.

6. Other things to bear in mind...

- 6.1 This policy also links to our:
- Section 20 Consultation Procedures
 - Leasehold Management Policy
 - Maintenance Service Policy
- 6.2 The main pieces of legislation and regulation relevant to this policy include:
- Commonhold & Leasehold Reform Act 2002
 - Section 20 of the Landlord & Tenant Act 1985

7. We'll look at this again...

- 7.1 This policy will be reviewed every three years unless it has been identified that an annual review is required or if any regulatory or legislative changes occur or deficiencies are found that necessitate an earlier review.

8. What we mean...

Reference	Explanation
Tenant	The person who rents land or property from OH. This policy only applies to tenants who pay un-pooled service charges.
Leaseholder	One that lets property under a lease - i.e. Ongo Homes.
Appropriate Costs	The amount the lease allows the lessor to charge the lessee for works undertaken.
Service Charge	A service charge is a payment made by a tenant or leaseholder towards the costs of providing and maintaining services and benefits to them beyond the benefit of enjoying occupation of their own home. Services provided include: communal cleaning, heating, gardening, lighting and lifts.
De-pooled Service Charge	<ul style="list-style-type: none"> ✓ Traditionally we have operated a pooled service charge system where a single charge is levied across all properties where a service charge applies. ✓ In April 2012, services were 'unpooled', (e.g. communal lighting and cleaning and grounds maintenance), so that tenants were not paying for services they do not directly benefit from. ✓ This charge will only apply to new tenants who move into properties with communal facilities. Existing tenants will not be affected.
First Tier Tribunal (Property Chamber)	Body which settles leasehold disputes without the need to go to court.