

Home ownership handbook

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Welcome

Whether you are moving into a new home or are an existing home owner we hope you find this handbook useful in understanding shared ownership, leasehold and freehold.

This handbook provides key information and explains your rights and responsibilities as a shared owner or leaseholder, in addition to our rights and responsibilities as your landlord or service provider.

Because this handbook provides information for different types of leaseholders, not all information will be relevant to you. Leasehold can be a complicated topic. You can always contact our Home Ownership Team or the Leasehold Advisory Service (LEASE) if you need more information. All contact details are in section 14.

This handbook is not a legal document and is not a substitute for your lease which sets out the formal legal agreement between you and GreenSquare.

If you have any worries or financial difficulties, or you are unhappy with a service you are receiving, please contact us.

We also welcome your feedback on the services we provide.

1. Our team

The Home Ownership Team provides services to home owners which includes shared owners, leaseholders and freeholders.

We can be contacted through our contact centre on 01249 465465 and will be happy to answer any queries. You can email us at homeownershipteam@greensquaregroup.com or visit our website at www.greensquaregroup.com.

2. Leasehold explained

You have purchased the leasehold rights to your home. As a leaseholder it is important that you understand your legal responsibilities and your lease. We would advise that you always check your own lease because it is a legal document that sets out what your rights, responsibilities and obligations are as a home owner.

What is a lease?

A lease is a formal contract between you (the leaseholder or lessee) and us the landlord and freeholder (the lessor). A lease is a long tenancy and gives you the right to occupy and live in your property for a set period of time.

We manage all leased and freehold properties owned by Westlea Housing Association, Oxbode Housing or Oxford Citizens Housing Association (now GreenSquare Group), and GreenSquare Homes.

A lease sets out the conditions which the leaseholder and the landlord must keep to.

Your lease will set out such information as:

- the length of the lease;
- what is included in the service charge, how much you pay, and how we review the amount;
- who is responsible for maintaining the property (inside your home and outside shared areas);
- how much ground rent (rent for the land your property is on) or shared ownership rent (rent you pay for the part of the home you own) you pay;
- what you need to do if you plan to make any changes to the property;
- your rights in terms of your quiet enjoyment of the property;
- what areas of the building are for your exclusive use and those you share with others; and
- our obligations to repair and maintain the common areas.

When purchasing a lease it is very important that your solicitor explains in detail the contents of your lease so you fully understand how responsibilities are shared between the freeholder and the leaseholder.

If you do not understand your lease, you should get advice from the Leasehold Advisory Service (LEASE) or a solicitor.

3. Insurance

3.1 Buildings insurance

As the landlord and freeholder of most of our leaseholder or shared owner properties, we are responsible for arranging the buildings insurance for your home. We do this by negotiating premiums which are usually lower than can be achieved by private home owners. As per the terms of your lease you are obliged to accept our buildings insurance cover.

The buildings insurance we take out on your behalf covers the structure of the buildings and includes fixtures and fittings (such as bathroom fittings and fitted kitchens).

It also covers improvements to the property. However you should get our permission before you make any improvements, such as extensions, or they may not be permitted or may not be covered by the insurance.

Under the lease we will normally need to take out insurance for the building and the shared parts, even if the property is a single leasehold house.

Under the terms of the policy we arrange, there may be an excess premium to be paid. If the claim is in respect of a communal area then the excess premium is charged and collected via service charges.

Each year we will publish a summary of the insurance cover on our website. Details of who to contact if you need to make a claim are detailed on the back of the summary cover. Details can also be found on our website www.greensquaregroup.com.

3.2 Contents insurance

The buildings insurance policy does not provide insurance cover for your personal possessions. You are responsible for insuring the contents of your home.

4. Ground rent, rent and service charges

4.1 What is ground rent?

A lease is a type of tenancy, so you may have to pay a rent to your landlord. This is usually called 'ground rent' and is a payment for using the land the building is on. Any ground rent you have to pay will be set out in your lease.

4.2 What is rent?

If you are a shared owner, we will charge you rent on the percentage of your home we own. The rent will vary depending on the percentage you own. For example, if you own 50% of your home, we will charge you rent on the remaining 50%. The rent does not change in line with an increasing or falling property market.

Reviewing your rent

Rents and charges are generally reviewed in April and we will adjust your rent in line with the formula in your lease. You will receive a minimum of four weeks' notice of what your new rent and service charges (if applicable) will be.

4.3 Service charges

What is a service charge?

A service charge is a payment for services received in connection with the occupation of your home.

You pay us a service charge for the work and services we provide to the structure and shared areas of the building you live in. You may pay service charges in return for services such as:

- estate warden services;
- Grounds maintenance;
- lighting in shared areas; and
- day-to-day repairs in shared areas.

The lease for your home sets out the services we will provide. Service charges represent the actual cost of providing the services to your property and will vary depending on the services we provide.

Your contribution to the service charge will be determined by your lease and in most cases will be the total service charge divided by the number of homes benefiting from the service. We will always seek to obtain goods and services that represent good value for money.

Service charges can vary from year to year. We charge you a share of the cost of providing the services plus a share of our costs to manage the services, as set out in the lease.

Service charge query process

If you have any queries in relation to your service charge please contact the Home Ownership Team.

If you are not happy with the response you receive, you can take your case to the First-tier Tribunal (Property Chamber) who make decisions on various types of disagreements to do with residential property.

Contact details are provided in section 14.

Sinking funds

For some blocks and schemes we collect money into a 'sinking fund' and your lease will specify if you have to pay into a fund.

A sinking fund is a way of building up savings by putting money aside each year to pay for future planned maintenance and redecoration work. This fund helps spread the cost of work and its aim is ensuring you do not receive large bills.

The funds can only be used for their allocated purpose; and the money in the fund will earn interest which is added to the fund.

We will use the fund to pay for planned maintenance and redecoration work. In the unlikely event that there was not enough money in the sinking fund to pay the full costs you would receive an invoice for the shortfall.

Charges for freehold houses

We are responsible for providing estate services for some freehold houses. If you are a freeholder you may have to pay 'estate charges' – for example for maintaining grounds, roadways, lighting, drains and other items. In some rural communities we are responsible for sewage treatment facilities.

If we do provide any of these services for you then you will be responsible for part of the total costs according to your freehold transfer.

You will receive an annual invoice which will detail the costs and charges for providing these services.

Shared heating systems

Some blocks have shared heating systems and we will pass on a share of the costs of running the heating services to all customers who benefit from the system.

As a leaseholder you will receive quarterly invoices for any heating charges.

Administration fees

These are charges that are allowable against the costs of providing services to your property. We currently recover an administration charge set at 15%.

Management charges

Our management charges cover our costs for providing a management service for our lease home owners. As part of our management service our team deals with:

- home owner enquiries;
- collecting charges and recovery of unpaid charges;
- arrangement of insurance cover;
- provision of information and maintaining our website;
- management of leases;
- management of issues affecting homes; and
- reviewing costs and services we provide to ensure they represent value for money.

Fees for leasehold services

We will charge for one-off services that the Home Ownership Team provides. For example, providing advice in relation to lease extensions.

Audit fees

If we have to request an independent audit of the service charge accounts, we can recover the fees of the audit. The cost of the audit would be shared equally between the properties that are covered by the accounts that are being audited. We would not undertake an audit without first consulting with you.

5. Paying your rent and service charges

If you are a shared owner we will normally collect rent and service charges every month. If you pay rent and service charges we will collect this as one payment.

If you are not a shared owner you will receive an annual invoice that will provide full details of the service charges and costs that you have to pay for your property.

We would encourage you to pay your rent and service charges by direct debit.

Our advice to you

We understand at times you may have financial problems. We can give details of other agencies for advice on debt management, for example.

If you miss a payment or think you will miss a payment, do not wait for us to contact you. You should contact the Home Ownership Team straight away.

We may be able to come to an agreement or arrange a payment plan to help you pay what you owe.

If you are having long-term financial problems you may be entitled to benefits to help you with your housing costs.

6. Information for shared owners

Buying extra shares

Most shared ownership leases allow you to buy extra shares (known as staircasing) until you own 100% of your home.

If you are thinking of buying extra shares in your shared ownership home in the first instance please contact the Home Ownership Team.

Selling your shared ownership home

If you are thinking of selling your shared ownership home please contact the Home Ownership Team who will be able to explain the process.

7. Landlord rights and responsibilities

What are our rights as a landlord?

Management, repairs and maintenance

We have the right to make decisions about:

- managing your property and its block;
- improving, repairing and maintaining the shared areas and structure of your property; and
- services we provide for you.

Please contact us if you are unhappy with how we have managed your block, a decision we have made or the service you are receiving.

Service and rent charges

Under the conditions of your lease we can charge you:

- management charges;
- ground rent;
- for maintaining and repairing the structure and shared areas of the property;
- building insurance;
- service costs – such as shared lighting, caretaking and grounds maintenance plus an administration charge for providing these services; and
- rent for the equity you do not own (shared owners only).

Right to enter in an emergency

There are some circumstances where we have the right to enter your property, for example if a leak from your plumbing is damaging other flats, or you have removed a structural wall.

Forfeiture

If you break the conditions of your lease, we have the right to apply to forfeit (end) your lease.

What are our responsibilities as a landlord?

We are responsible for managing and maintaining the shared areas and structure of the property.

Management

Our management responsibilities are to:

- give you clear information when your first buy your property;
- give you service charge estimates and collect this charge;
- collect ground rent and shared ownership rent where appropriate;
- tell you if you are in debt;
- help and support you if you experience anti social behaviour;
- help with any issues about the outside and shared areas of your property;
- arrange buildings insurance; and
- provide services as defined in your lease.

Repairs and maintenance

Your lease will say who is responsible for repairing various parts of your property. It is important to understand how repairs and maintenance applies to you. Further details are provided in our section on repairs and maintenance (section 9).

Speaking to and listening to you

Should there be a requirement for our leaseholders to contribute to works that will cost each leaseholder more than £250 (in addition to their current service charge obligations), or we enter into long-term agreements which will cost any leaseholder more than £100 over a financial year, we are required to carry out a statutory section 20 consultation.

8. Your rights and responsibilities

What are your rights as a leaseholder?

Quiet enjoyment

By law you have the right as provided by your lease to live quietly or have 'quiet enjoyment' of your leasehold flat or house. This means that if you have purchased a lease and adhere to its covenants we do not unreasonably interfere with your enjoyment of the property.

There are rare instances where we may need to gain access to your property in case of an emergency repair such as a leak. We would make every attempt to make contact with you prior to us visiting.

Repairs and maintenance

You have the right to expect us to maintain and repair the shared parts of the building.

Management

You have the right to expect us to deal with problems in your block such as nuisance, dirt and rubbish and graffiti.

Information

We must provide you with our name and a contact address on every demand for service charges.

Consulting you on major work

Major work is significant work needed to make a repair or improvement and which will cost each property more than £250. We cannot carry out major work without first consulting you. If we do not consult you about the work, the amount we can recover may be limited to £250.

Extending the lease

If you meet certain conditions (for example you have a long lease and have had it for more than two years) you can demand a new lease from us. We will agree the price with you. If this is not possible then the First-tier Tribunal (Property Chamber) will set the price.

Under current law, if you are a shared owner, you do not have the right to ask us to extend the lease; you cannot take part in buying a freehold; and you do not have the right of first refusal.

Buying the freehold

If you meet certain conditions you can get together with other people in the building who meet these

conditions and buy the freehold from us. This is known as 'collective enfranchisement'.

Right of first refusal

If we plan to sell our interest in a building, we must offer it to you first or we can be prosecuted.

What are your responsibilities as a leaseholder?

Your responsibilities will be detailed in your lease and would normally include the following:

Paying service charges and rent

Under your lease you are responsible for paying your share of the costs of managing and maintaining your property. These costs are known as service charges.

As a shared owner you are also responsible for paying rent on the equity share we own.

You may also have a responsibility to pay ground rent under the conditions of your lease.

Arranging contents insurance

You are responsible for arranging your own home contents insurance.

Respecting your neighbours

You have the right to live peacefully in your home and your neighbours have the same right.

Repairs to your property

You are responsible for maintaining and repairing the inside of your property, which includes the following:

- baths, sinks, taps, toilets and all pipework which exclusively serves your property;
- fixtures, fittings and locks to windows;
- inside decoration, including plasterwork repairs;
- glazing;
- central heating, boilers and radiators;
- fitted units and cupboards

Our permission

You are responsible for contacting us to get our permission if you want to:

- make alterations or improvements to your home; and
- sublet your property (if you are a shared owner).

9. Repairs and maintenance

Your lease will say who is responsible for repairs to your home. If you have bought a newly-built home it may have a defects liability period during which the builder is responsible for repairs.

Houses

If you are a leaseholder of a house, you are responsible for all repairs and maintenance inside and outside your home. You will pay GreenSquare as your landlord building insurance to cover any structural damage that may occur in the future.

Flats

If you are a leaseholder of a flat you are responsible for all repairs to the inside of your home.

GreenSquare is responsible for, and will arrange repairs to the structure of the building and to shared parts, such as door-entry systems and shared hallways.

Reporting a repair

If repairs are required that we are responsible for, please contact the Customer Services Team on 01249 465465 during office hours. Details of what to do in the case of emergencies outside these hours can also be obtained by calling the same.

It is our aim to complete repairs in accordance with the following timescales:

Emergency repairs – will be attended to within 24 hours of us being told about the repair (depending on nature of the emergency).

A repair is an emergency if it threatens your health, safety or security, or could cause significant damage to a property if it is not dealt with straight away.

Urgent repairs – will be attended to within seven calendar days of us being told about the repair.

An urgent repair is one that causes you inconvenience, affects your comfort and which if left incomplete may cause damage to your home.

Routine repairs – will be attended to within 28 calendar days of us being told about the repair.

A routine repair is a fault that causes inconvenience but is not urgent and is not an immediate risk to your health and safety.

10. Major works and cyclical maintenance

GreenSquare will carry out major work in line with the requirements of the lease. This relates to properties that have shared areas in the building or development. There are two types of major works:

- **Major works** – needed because of a repair issue for example a leaking roof and the roof needs replacing.
- **Cyclical maintenance** – work that we carry out regularly on a set cycle, for example redecoration of the shared hallways in a block of flats.

We will provide estimated costs for the work. We include the cost of this work in your service charge and where appropriate will draw funds from the sinking fund to pay for the works.

Consulting you on major work

We must consult with you on any major or cyclical works. There are two main types of consultation:

- **Qualifying works** – where we propose works on a building or other premises that will cost you or any other leaseholder more than £250.
- **Qualifying long term agreement** – where we propose to enter into an agreement for the provision of works or services for a period of more than 12 months and the cost to an individual leaseholder will be £100 a year or more.

We must consult with you before proceeding (unless a First Tier tribunal has agreed that consultation is not required). We will carry out consultation in line with Section 20 of the Landlord and Tenant Act 1985 as amended by the Commonhold and Leasehold Reform Act 2002.

If we do not consult you in the prescribed format, the amount we can recover from you may be limited to the figures referred to above.

In addition, we will seek to involve you as much as we reasonably can in the management of your home. If you wish to be involved, for further information, please contact the Home Ownership Team.

11. Data protection

In order to provide services to you, we need to collect and store information about you. Under the Data Protection Act 1998 we have a duty to ensure that this information is used appropriately and kept secure.

We will allow you to inspect information which we hold about you on file or computer. We will require reasonable notice and we may charge a fee to cover the costs of providing this service.

12. Compliments, comments and complaints

We strive to provide you with a good service and in order to do that we value your comments and feedback so that we understand what it is you value. We therefore welcome compliments, comments and feedback on the services we provide so that we may maintain those services you value, and are happy with, and improve any with which you are unhappy.

Despite our best efforts there may be occasions when you wish to complain about the standard of service. We have a formal complaints procedure, a copy of which is available on request. Details of our complaints procedure can be found on our website.

13. Equality and diversity

We have an equality and diversity policy to make sure that we do not discriminate against anyone and that we treat everyone equally.

When we provide housing and offer people jobs we will make sure that we:

- treat people fairly;
- do not discriminate against anyone; and
- take steps to deal with the effects of discrimination.

We expect all our staff, agents and anyone we work with to follow our equality and diversity policy. If you feel that we have discriminated against you in any way then please let us know straight away.

14. Contacts

Contacting us

Correspondence address

Home Ownership Team
GreenSquare, Methuen Park, Chippenham
Wiltshire SN14 0GU

Telephone

01249 465465 (Monday to Friday: 8am – 7pm).

Email address

homeownership.team@greensquaregroup.com

Website

www.greensquaregroup.com

Useful contacts

It may be useful for you to know that you can get information about your rights from other bodies that are independent from us. Below is a list of those bodies that we consider may be of interest to you:

The Leasehold Advisory Service (LEASE)

LEASE is an executive non-departmental public body which is funded by the government to give free initial advice on landlord and tenant law affecting residential properties. It is staffed by officers with legal training.

The Leasehold Advisory Service
Fleetbank House
2-6 Salisbury Square LONDON
EC4Y 8JX

Tel: 020 7832 2500

Email: info@lease-advice.org
Website: www.lease-advice.org

First-tier Tribunal
1st Floor, Piccadilly Exchange Piccadilly Plaza
Manchester M1 4AH
Tel: 0161 237 9491

Home Owners

Customer Charter

We will:

- Respond to all customers in line with our Customer Charter.
- Welcome our new owners by explaining how to contact us and explaining the service we provide.
- Ensure we comply with our obligations to consult on major repairs.
- Ensure we comply with our obligations to consult on long term agreements that will cost over £100 a year.
- Advise you of any fees that are payable in advance for providing services such as legal packs for your solicitors if you were to sell your property.