

# Residential Leaseholders Policy

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| Originator:              | Policy and Strategy Team |
| OVH Board Approval Date: | July 2024                |
| Review Date:             | July 2027                |

| 1   | Introduction  |
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| 1.1 | One Vision Housing (OVH) provides housing management services to over 600 households that have purchased their flats and maisonettes through the Right to Buy, Preserved Right to Buy or Right to Acquire, where OVH retains the ‘freehold’ interest in the land.   |
| 1.2 | Each person or household that has purchased their OVH flat or maisonette in this way, but does not own the freehold, will be issued with a legal contract for a specific period of time known as a ‘lease’.   |
| 1.3 | This Policy sets out the rights, responsibilities, covenants contained in lease agreements and the procedural requirements for both OVH as the ‘landlord’ and the ‘leaseholder’. The Policy also outlines the levels of service leaseholders can expect to receive from OVH.  |
| 1.4 | <p>In operating this Policy OVH will meet all legal and regulatory requirements as set out in the following principle legislation:</p> <ul style="list-style-type: none"> <li>• The Law of Property Act 1925</li> <li>• The Leasehold Reform Act 1967 (as amended)</li> <li>• The Consumer Credit Act 1974 (where required under flexible payment arrangements)</li> <li>• The Landlord and Tenant Act 1985 (as amended)</li> <li>• The Landlord and Tenants Act 1987</li> <li>• The Commonhold and Leasehold Reform Act 2002</li> <li>• The Service Charges (Consultation Requirements) Regulations 2003</li> <li>• The Regulatory Reform (Fire Safety) Order 2005</li> <li>• The Fire Safety Act 2021</li> <li>• The Tribunals, Courts and Enforcement Act 2007</li> <li>• The Housing and Planning Act 2016</li> <li>• The Leasehold Reform Act 2024 (when commenced)</li> </ul> |
| 1.5 | The application of this Policy ensures compliance with the outcomes of the Regulatory Framework for Social Housing in England, responsibility of the Regulator of Social Housing (RSH) as outlined below:   |

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|          | <ul style="list-style-type: none"> <li>• <b>Tenancy Standard</b></li> <li>• Registered providers shall offer tenancies or terms of occupation which are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community, and the efficient use of their housing stock</li> <li>• They shall meet all applicable statutory and legal requirements in relation to the form and use of tenancy agreements or terms of occupation.</li> </ul> <p>1.6 <b>Access and Communication</b></p> <p>1.6.1 OVH is committed to ensuring that the services it provides are accessible to everyone. OVH will seek alternative methods of access and service delivery where barriers, perceived or real may exist, that may make it difficult for people to work for OVH or use its services.</p> <p>1.6.2 Working with our customers we have established a Vulnerable Persons and Reasonable Adjustments Policy to ensure we make best use of every customer interaction to meet customers’ needs in our service delivery and ensure this information is kept up to date.</p> <p>1.7 <b>Equality, Diversity and Human Rights</b></p> <p>1.7.1 OVH is committed to ensuring that no person or group of persons will be treated less favourably than another person or group of persons and will carry out its duty with positive regard for the following core strands of equality; Age, Disability, Gender, Race, Gender Identity / Gender Expression, Sexual Orientation, Pregnancy, Maternity, Marriage and Civil Partnership, Religion and / or Belief.</p> <p>1.7.2 OVH also recognises that some people experience disadvantage due to their socio- economic circumstances, employment status, class, appearance, responsibility for dependants, unrelated criminal activities, being HIV positive or with AIDS, or any other matter which causes a person to be treated with injustice.</p> <p>1.7.3 OVH will also ensure that all services and actions are delivered within the context of current Human Rights legislation and will make every effort to ensure staff and others with whom OVH works, will adhere to the central principles of the Human Rights Act (1998).</p> <p>1.8 This Policy should be read in conjunction with the:</p> <ul style="list-style-type: none"> <li>• OVH Preserved Right to Buy and Right to Acquire Policy</li> <li>• OVH Shared Ownership Sales and Management Policy</li> <li>• OVH Service Charge Policy</li> </ul> |
| <b>2</b> | <b>Statement of Intent</b>  |
| 2.1      | As a responsible landlord and significant ‘place shaper’ OVH aims to encourage low-cost home ownership options for its tenants to create mixed, balanced communities in the areas in which it operates. This includes providing accessible information on purchase options that lead to the creation of ‘leaseholders’.   |
| 2.2      | As per the provisions set out in the Preserved Right to Buy and Right to Acquire Policy, OVH will ensure that tenants are aware of their ‘Preserved Right to Buy’ or ‘Right to Acquire’   |

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|          | options (where it applies) and will offer one-to-one advice for anyone wanting to pursue these options.   |
| 2.3      | In delivering leasehold services, OVH will ensure it meets compliance with all legal and regulatory requirements.   |
| 2.4      | OVH will endeavour to provide excellent levels of service to leaseholders and will ensure all information and communication in relation to service charges, contributions to major works, ground rent and administration fees is easy to understand and is available in a timely manner.  |
| 2.5      | OVH will seek to provide advance warning to leaseholders of the likelihood of future works and through accurate accounting will only bill individual leaseholders' apportioned costs for the actual works completed, no later than 18 months from the time when costs were incurred.  |
| 2.6      | The Rent and Service Charge Team Leader will be responsible for calculating service charges. To ensure accuracy of the service charges, this will be carried out in conjunction with the relevant Service Managers.   |
| 2.7      | Where leaseholders are in financial difficulties or are not in a position to pay in full within standard payment terms (30 days from issue of demand for payment), OVH will work with them to develop reasonable payment schedules.   |
| 2.8      | OVH will comply with any determinations in regard to leasehold services that are made by the First-tier Tribunal (Property Chamber) (FTT) – (formerly dealt with by the Leasehold Valuation Tribunal) or orders made by the courts.   |
| <b>3</b> | <b>Policy</b>   |
| 3.1      | <b><u>Leaseholder Definition</u></b>  |
| 3.1.1    | <p>Leases are granted to tenants who have purchased their property but where OVH retains an interest in the land on which the property is located. This includes leaseholders who purchased their property through:</p> <ul style="list-style-type: none"> <li>• 'Right to Buy' with Sefton Metropolitan Borough Council (SMBC) and whose lease was transferred to OVH when it was formed in October 2006</li> <li>• 'Preserved Right To Buy' – PRTB (where tenants who had a secure tenancy with SMBC and subsequently purchased their property after OVH was formed)</li> <li>• 'Right to Acquire' - RTA where assured tenants of OVH have exercised their right to acquire (where this right exists)</li> <li>• Shared Ownership schemes or Older Person Shared Ownership schemes (see the OVH Shared Ownership Policy for full details)</li> <li>• By assignment of the lease via a private sale</li> </ul> |
| 3.1.2    | Most leases granted are in respect of flats where OVH retains a superior interest. Where there are common parts / communal areas, OVH will retain responsibility for repairing and maintaining these areas subject to the leaseholders paying a service charge.   |

3.1.3 In limited circumstances, OVH tenants may purchase the freehold of their property (usually house-type accommodation) and will not be subject to a lease. Instead, they will enter into a transfer which will contain restrictions and obligations the owner must comply with.

### 3.2 **Becoming an OVH Leaseholder**

3.2.1 OVH tenants may be eligible to buy their property pursuant to the preserved right to buy (PRTB) or right to acquire (RTA) regulations. Where a tenant wants to purchase their property, they should contact OVH on **0300 365 1111** to determine whether or not they are eligible. Details of the eligibility criteria and exceptions are detailed in the OVH Preserved Right To Buy and Right to Acquire Policy.

3.2.2 In all cases where tenants make enquiries about purchasing their OVH homes, OVH will provide advice, including one-to-one meetings where required, to ensure applicants are aware of the financial responsibilities of homeownership.

3.2.3 Where a sale is set to proceed and a lease will be created, OVH will provide the applicant or their legal representatives with information including:

- An independent property valuation
- Details of the property boundaries that would be included in the lease agreement
- Information relating to any known property defects
- An estimation of any service charges that will be payable on the property over the next five years (including, where known, any major works that are planned)

3.2.4 Where a leaseholder wishes to sell their property, they can assign the lease by way of private sale. OVH will provide relevant information as requested by the buyer's solicitor within 28 days of request. The current fee for the provision of this information is £180.

3.2.5 The buyer will be responsible for serving a notice of assignment and any notice of charge on OVH when the assignment has completed and OVH will charge such fee as the lease permits for dealing with this.

### 3.3 **OVH Lease Agreements**

3.3.1 All OVH tenants that take up the option to purchase their property and become leaseholders (where this applies) will be issued with a 'lease agreement'. This is a complex legal document that sets out the contractual obligations of both OVH as the landlord and the leaseholder during the term of the lease.

3.3.2 All leases issued by OVH or those that it has assumed responsibility for from SMBC are classed as 'long leases' and are for a period of 125 years from the date of issue. In summary the lease agreement will contain information on:

- Full contact details of OVH
- Details of all people included on the lease
- The full address details of the property
- The term of the lease (125 years)
- The purchase price of the property
- Restrictions that will apply on disposing of the lease (selling onto another party), subletting the property and the conditions surrounding OVH's right of first refusal

- The rights of the leaseholder to access to communal parts and services that may be delivered by communal means e.g. drainage, electricity, telephone etc.
- The rights of OVH to reasonable access to carry out repairs / make improvements
- Repairing obligations of OVH and the leaseholder and which costs the leaseholder must reimburse by way of service charges
- OVH's right to charge apportioned costs
- Details of any annual rent charges that will apply and the proportion of any service charges
- A 'forfeiture clause' whereby OVH may seek to terminate the lease / re-enter the property for a breach of the lease conditions
- In the case of shared ownership properties specific clauses in relation to specified rent and mortgage protection

### 3.4 OVH Leasehold Services

#### 3.4.1 **Service, Administration and Major Works Charges**

3.4.2 Leaseholders are required to pay a service charge for works and services carried out by OVH under the terms of the lease. OVH operates a variable service charge which means that at the beginning of the financial year, OVH estimates the cost of carrying out works and providing services. At the end of the financial year, OVH reconcile the actual cost of carrying out the works and providing the services with the estimates.

3.4.3 Before the beginning of the financial year, OVH will send to all leaseholders a demand for the estimated service charge for the forthcoming year. At the end of the financial year and no later than September of that year, OVH will issue the leaseholder with a demand for the actual costs incurred in the previous year. This will detail any recharges or refunds due to / from the leaseholder.

3.4.4 OVH will deal with any credits / deficits in accordance with the service charge provisions in the lease. Generally, this will mean that where an account is in credit, it will be offset from future demands. Where accounts are in debit, OVH staff will contact leaseholders to arrange a payment schedule for the deficit.

3.4.5 OVH will also provide to all leaseholders account balance information on request, which can be obtained by contacting **0300 365 1111**.

3.4.6 For all demands for payment OVH will serve notice on the leaseholder (at the address of the leasehold property unless otherwise advised by the leaseholder) detailing:

- A summary of rights and obligations
- The amount payable and the date payable by
- What the demand for payment is for
- The name of the leaseholder
- The period for which the payment is due
- OVH's address and contact details

3.4.7 In setting service charges, OVH will comply with the provisions of sections 18-30 of the Landlord and Tenant Act 1985. This means that costs will be:

- Reasonably incurred and

- Relates to services or works which are of a reasonable standard

3.4.8 Leaseholders have a right to approach the First Tier Tribunal (FTT) if they are not satisfied with the demand for payment from OVH. The FTT can determine:

- If costs were / are reasonable
- If works were / proposed are of reasonable standard
- If amount payable before costs incurred is reasonable
- If costs are payable

3.4.9 OVH also have the right to apply to the FTT before works or proposed works commence for the same determinations outlined above. The right exists on either party's behalf except where the leaseholder has previously admitted liability, the matter is subject to ongoing arbitration, or a court order has been granted.

3.4.10 Service charge apportionments will be carried out in accordance with the terms of the lease.

### 3.5 **Consultation Requirements for Major Works**

3.5.1 Where OVH intend to carry out works to properties that are classed as 'qualifying works' (i.e. there will be a cost of more than £250 to any individual leaseholder) or it intends to enter into a new 'qualifying long term agreement' with a contractor (over 12 months and where the costs to any leaseholder will exceed £100 in any one year period), it will be required to carry out 'Section 20 Consultation' with leaseholders.

3.5.2 Section 20 Consultation is a legal requirement and is set out in detail in the Commonhold and Leasehold Reform Act 2002. The process for consultation will vary if an existing qualifying long-term agreement is in place and dependent on the value of the contract or works proposed. Further information on Section 20 Consultation can be found at [www.lease-advice.org](http://www.lease-advice.org).

3.5.3 Where Section 20 Consultation is required, OVH will ensure that each leaseholder that is affected by the proposed works or qualifying long term agreement is provided with summary information on the process involved and how and where they can provide comments.

3.5.4 If there are any disputes over the process, the costs or the nature of proposed qualifying works, leaseholders are advised in the first instance to contact OVH for discussion but may appeal to the First Tier Tribunal Property Chamber (Residential Property) for a determination.

### 3.6 **Billing Information**

3.6.1 Where OVH has plans to carry out major works as part of its maintenance and investment programmes it will endeavour to give leaseholders that are affected advance notice and where available (i.e. where similar works have been undertaken in the recent past) reasonable estimates of the likely costs to be incurred.

3.6.2 Within 18 months of costs being incurred, OVH will issue invoices to leaseholders demanding payment within standard business terms i.e. within 30 days. Each demand for payment will be accompanied by information including:

- A summary of leaseholder's rights and obligations

- The amount payable and the date payable by
- What the demand for payment is for
- The name of the leaseholder
- OVH's address and contact details

3.6.3 Where it is not possible to send demand for payment within 18 months of the costs being incurred, for any reason, OVH will serve a Section 20B Notice allowing it to recover costs outside of this timeframe.

3.6.4 The billing information will be addressed to the leaseholder and sent to the property that is leased unless OVH are otherwise informed of alternative billing arrangements.

3.6.5 Bills for major works will be sent separately from standard service charges to improve transparency for this type of expenditure and allow for the development of alternative payment terms (see 3.7 below).

### 3.7 **Payment methods and payment options**

3.7.1 Where OVH leaseholders receive a demand for payment for major works, a number of convenient options to make payment will be available including:

- Online via the OVH website, secure 'WorldPay' facility
- At any Post Office Branch using the OVH payment card
- Via bank transfer
- Payments by telephone by contacting **0300 365 1111** (during normal weekday office hours 8.00am to 6.00pm)
- Using 'Payzone' and 'Pay Point' facilities available via a number of retail outlets

3.7.2 As an incentive for prompt payment, OVH will offer a 5% discount on all major works payments that are settled in full within the standard payment terms of 30 days from date of issue of demand.

3.7.3 Where leaseholders are unable to pay the full amount within 30 days of the demand for payment, OVH may on a discretionary basis allow interest-free payments by instalment, over a 12-month period from the issue of the demand for payment.

3.7.4 Leaseholders wishing to pursue this payment option, should contact OVH at the earliest opportunity once demands for payment are received to prevent arrears enforcement actions. This will also enable OVH to carry out an affordability assessment and suitability for this type of arrangement on a case-by-case basis.

3.7.5 Where payment arrangements are established, leaseholders will be required to set up Direct Debits to cover the amounts outstanding in equal monthly payments within the timescales agreed (as outlined in 3.7.3 above). If leaseholders' circumstances change they may cancel the Direct Debit and settle the outstanding amounts in full at any time.

3.7.6 Where leaseholders default on payment schedules without explanation or agreement, OVH reserve the right to commence arrears enforcement actions (see 3.8).

3.7.7 In exceptional circumstances where all other options to pay major works charges have been exhausted including use of private savings, loans or installment payments OVH may consider

options for a voluntary charge on the property, with approval of the Director for Housing and Customer Services.

3.7.8 Where a voluntary charge is applied it will only be with the leaseholder's agreement and will only be used if they would have no other option but to sell their property to pay for the major works charges.

3.7.9 Any legal fees for setting up the voluntary charge would be payable by the leaseholder and OVH may also add an administration charge (to be advised on a case-by-case basis) to the debt outstanding.

3.7.10 Although the leaseholder would be able to pay off the debt at any time if their circumstances change, there would be no requirement to do so until the property is either sold, transferred in title or if any of the initial leaseholders have not been resident in the property for a period of six months.

### 3.8 Leasehold Arrears Pursuance

3.8.1 OVH will contact all leaseholders to discuss revised repayment schedules where they fail to make payments as demanded in respect of ground rent, service charges, buildings insurance (where this applies), repairs costs and administration charges.

3.8.2 OVH will in all circumstances attempt to reach a reasonable compromise with leaseholders, where practical, spreading payments over the accounting period.

3.8.3 Where arrears total more than £350 or have been outstanding for more than three years OVH may consider applying for forfeiture of the lease (where OVH will seek to bring the lease to an end and regain possession of the property).

3.8.4 Where this situation occurs, OVH will first make an application to the courts to determine that a breach of lease has occurred.

3.8.5 After the determination is made by the courts, the leaseholder will have 14 days to pay the outstanding arrears. If this does not occur OVH may serve a section 146 Notice (which is the first step to obtaining a court order to recover possession of the property). Leaseholders wishing to appeal the notice should contact the court at the earliest opportunity and within a reasonable time from the determination.

### 3.9 Other Enforcement Action

3.9.1 OVH may also seek forfeiture for other breaches of the lease agreement on the leaseholder's behalf including but not limited to serious acts of anti-social behaviour or abandonment of the property. In these circumstances OVH will again have to seek a determination from the courts before serving the 146 Notice.

3.9.2 OVH may also consider applying for injunctions where leaseholders fail to comply with their repairing obligations for their property.



### 3.10 OVH Repair Responsibilities

3.10.1 Where OVH retains the freehold on properties purchased, it also retains the responsibility to repair and maintain communal parts of the building including:

- The main structure of the block including any external walls, door and windows, roofs and rainwater services
- Common services to the block
- Common areas within a block
- Communal areas around a block and within the curtilage of the building

3.10.2 Leaseholders wanting to report repairs to the common parts of buildings should contact OVH on **0300 365 1111**.

3.10.3 OVH will keep a record of all repair and maintenance work undertaken on a block where there are leaseholders within an accounting period. The costs for this work will then be apportioned in accordance with the terms of the lease.

### 3.11 Other Housing Management Services Available to Leaseholders

3.11.1 OVH aims to provide its leaseholders with an excellent level of service and will make the following housing management services available to them on request:

- OVH will facilitate the involvement of leaseholders in its customer engagement and scrutiny processes and will recognise and support any collective group of leaseholders formed to represent leaseholder interests (including any leaseholder residents association or leaseholder management company)
- Via its network of approved suppliers and contractors, OVH will provide competitive quotes for building and improvement works (where leaseholders intend to undertake this work in the interior of their properties) including annual gas safety checks (where this is not already a covenant of the lease)

### 3.12 OVH Right of First Refusal on sales

3.12.1 Should leaseholders wish to sell their properties within ten years of purchase they will (as per a clause in the lease agreement) be obliged to offer OVH first refusal on the sale. Where this situation occurs OVH will be under no obligation to purchase the property.

3.12.2 The sale price should be the full market value, to be agreed between the seller and OVH (incorporating any improvements made by the owner). If agreement cannot be reached between the parties, this will be determined by the District Valuer. If OVH does not respond to the offer to purchase within 8 weeks, the seller is free to sell on the open market.

3.12.3 The right of first refusal will only apply to lessee's who have purchased their property through Right to Buy, Preserved Right to Buy or Right to Acquire and will not apply to those who have purchased privately by assignment of the lease.

### 3.13 Leaseholder Responsibilities

3.13.1 The lease agreement is a form of contract between OVH and the leaseholder. As such the leaseholder agrees to abide by certain terms and conditions for the period of the lease. This includes:

- Agreeing to pay (within prescribed periods) all reasonable demands for payment made by OVH as appropriate including:
  - Service charges (for services supplied)
  - Buildings insurance (where this is included within the terms of the lease)
  - Any administration charges (e.g. costs incurred by OVH in pursuing any arrears)
  - Ground Rent
- Granting reasonable access to the interior of the leasehold property when required by OVH to carry out its repairs and maintenance obligations i.e. the upkeep of communal parts and services
- Requesting permission to make alterations to the interior of a leasehold property, where this impacts on the structural integrity of the building e.g. removal of internal walls (OVH may refuse permission for this type of work if it makes other parts of the building structurally unsound)
- Keeping the condition of the property in good order (and in compliance with any fire safety regulations as appropriate)
- Requesting permission to sublet the property and supplying details of any new lessee's and forwarding addresses for original leaseholders
- Informing OVH of any intention to sell the leasehold property
- Ensuring that leaseholders and any other visitors / occupants of their property behave in a neighbourly manner in ways that do not affect others quiet enjoyment of their homes

3.13.2 Any breach of the above conditions may be subject to enforcement action by OVH and could ultimately result in forfeiture of the lease.

### 3.14 Leaseholder Rights

3.14.1 A summary of leaseholder rights is contained below:

- Right to information – (Pursuant to the Landlord and Tenant Act 1985) i.e.:
  - Seek a summary of the service charge account from the landlord (section 21)
  - Inspect accounts, receipts and other documents relating to the service charge summary and take copies of these (section 22 )
- Consultation on major works
- Consultation on long term agreements
- Ability to challenge service and or administration charges
- Right to manage (subject to certain criteria being met)
- Appoint a manager
- Extend the lease (see 3.15 below)
- Buying the freehold
- Right of first refusal (subject to certain criteria being met)

3.14.2 For any queries of leaseholder rights or to obtain further details, OVH leaseholders are advised to contact OVH direct on **0300 365 1111**.

### 3.15 Extension of Leasehold Agreements

3.15.1 Domestic leaseholders that wish to extend the term of their lease agreements are advised to contact OVH in the first instance for informal discussion on eligibility and advice on the process that is involved by calling **0300 365 1111** and requesting to speak to the Leasehold Team.

3.15.2 The following information is a summary only and does not cover the full detail of what can be a complex legal process.

- OVH will grant extensions to the term of domestic leasehold agreements when the following statutory criteria (as per the Leasehold Reform Housing and Urban Development Act 1993, as amended) is met:
- If the leaseholder has owned 100% of the leasehold interest in the property for at least 2 years
- If the lease when originally granted was for a period of 21 years or longer
- If OVH retains sufficient interest in the property to grant a longer lease term (i.e. retains the freehold interest in the property)

3.15.3 Leaseholders wishing to pursue this option should be aware that process will include significant costs as follows:

- Valuation fee = £400
- Administration fee = £200
- Solicitors' fees = £500 - £1,000 (depending on amount of work / negotiation involved)
- Statutory deposit = 10% of premium quoted or £250, whichever is greater (deposits are offset against final completion figures)

3.15.4 The above costs are payable up front to OVH and are non-refundable (even if the application is withdrawn or does not complete for technical reasons e.g. prescribed timescales on behalf of the leaseholder or professionals acting on their behalf are not adhered to).

3.15.5 To formally start the process, the leaseholder will be required to serve on OVH a 'Section 42 Notice' or 'Tenants Notice'.

3.15.6 OVH strongly recommends that leaseholders appoint professional advisors who specialise in leasehold enfranchisement (solicitor and surveyor) to prepare this notice and to obtain realistic current market values.

3.15.7 Once the Section 42 Notice is received OVH will request evidence of the leaseholder's title to the property and period of ownership within 21 days and this must be provided by the leaseholder within a further 21 days. OVH will also require access to the property to carry out an independent valuation, giving not less than 3 days written notice to the leaseholder.

3.15.8 Once the independent valuation is received by OVH it will respond to the leaseholder with a 'Counter Notice' (by the date specified in the leaseholders Section 42 Notice), usually within 2 months.

3.15.9 There will then follow a period of negotiation (if required) until agreement can be reached on the valuation and ultimately the premium that will be paid by the leaseholder for the

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|          | extension of the lease for a further 90 years, on top of the remaining term of the existing lease.  |
| 3.15.10  | <p>The premium to be paid by the leaseholder will include amounts for:</p> <ul style="list-style-type: none"> <li>• The reduction in the value of OVH’s interest in the property i.e. the loss of income generated from ground rent (if payable) as the whole term of the new lease will be at a ‘peppercorn rent’ (this will mean ground rent will no longer be charged). Also included will be loss to OVH for granting a longer-term lease (i.e. the time before the property converts back to OVH ownership, known as the reversion)</li> <li>• OVH’s share (50%) of the ‘marriage value’ of the property (this represents the potential for increased value of the property arising from the grant of a new lease. Where the existing term of the lease is 80 years or more, the marriage value will be £0)</li> </ul> |
| 3.15.11  | No sooner than two months of the date of the ‘Counter Notice’ but within six months, either party i.e. OVH or the leaseholder can apply to the First-tier Tribunal (Property Chamber) for a determination if agreement cannot be reached.   |
| 3.15.12  | Leaseholders should again be aware that the premium payable for extension of the lease term may amount to significant financial outlay, and they will be required to have proof of funds / ready access to funds for the process to be completed (especially where re-mortgaging will be required).   |
| 3.15.13  | The above information applies to those that are eligible for lease extensions on ‘formal’ statutory grounds i.e. the criteria outlined in (3.15.2) above is met in full.  |
| 3.15.14  | It may also be possible to negotiate ‘informal’ lease extensions, but OVH is under no obligation to comply with such requests and can set its own terms as it deems reasonable.   |
| 3.15.15  | The above information is aimed at ‘traditional’ leasehold arrangements i.e. where leaseholders have purchased a property, but OVH retains the freehold interest.  |
| 3.15.16  | Leaseholders under ‘shared ownership’ agreements considering lease extensions should contact OVH to determine if this the most viable option, taking into account stair-casing’ routes.   |
| <b>4</b> | <b>Implementation</b>   |
| 4.1      | All OVH staff need to be aware of the OVH Leaseholder Policy to be able to direct any customer queries that may arise.  |
| 4.2      | The Leaseholder Manager will be the main point of contact for any queries around leaseholder management and will also be responsible for processing applications to become a leaseholder (in conjunction with the OVH legal advisors).  |
| 4.3      | OVH’s decisions on ‘buyback’ options for leaseholders will be taken by the OVH Executive Management Team (EMT).   |
| 4.4      | The Rent and Service Charge Team Leader will be responsible for calculating service charges.  |

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| <b>5</b> | <b>Performance</b>   |   |
| 5.1      | <p>In operating this Policy OVH will monitor and report to the EMT on the following key performance indicators and targets:</p> <ul style="list-style-type: none"> <li>• Processing all applications for PRTB and RTA within expected legislative timescales (See OVH Home Ownership and Buyback Policy for details)</li> <li>• Ensuring estimated and actual billing information is sent to all leaseholders within six months of close of accounts</li> <li>• Adhering to all requirements of Section 20 Notices in regard consultation on major works</li> <li>• Complying with stipulated timescales for all requests for variation of the lease, Right To Manage Notices and Enfranchisement requests</li> <li>• Complying with determinations made by the FTT or the courts</li> </ul> |   |
| <b>6</b> | <b>Consultation</b>  |   |
| 6.1      | All OVH staff have been consulted in the development of this Policy. The Tenant Policy Review Group have also been consulted about the development of this Policy.   |   |
| <b>7</b> | <b>Review</b>  |   |
| 7.1      | The Policy will be reviewed every year or as near as is practical from the date of OVH Board approval. The Policy will be reviewed sooner in the light of any legislative or regulatory requirements that impact on OVH leasehold management services or as a result of system audits.   |   |
| <b>8</b> | <b>Equality Impact Assessment</b>  |   |
| 8.1      | Was a full Equality Impact Assessment (EIA) required?  | No  |
| 8.2      | When was EIA conducted and by who?   | An Equality Impact Assessment Relevance Test was conducted by the Policy and Strategy Manager and the Quality and Inclusion Officer in May 2024.      |
| 8.3      | Results of EIA   | The EIA did not identify any differential or adverse impacts for any group with protected characteristics as a result of the operation of this Policy |
| <b>9</b> | <b>Scheme of Delegation</b>  |   |
| 9.1      | Responsible committee for approving and monitoring implementation of the Policy and any amendments to it   | OVH Board   |

|     |   |   |
|-----|---|---|
| 9.2 | Responsible officer for formulating policy and reporting to committee on its effective implementation | Director for Housing and Community Services |
| 9.3 | Responsible officer for formulating, reviewing and monitoring implementation of procedures            | Director for Housing and Community Services |

## 10 Amendment Log

| Date of revision:           | Reason for revision:           | Consultation record: | Record of amendments:   |
|-----------------------------|--------------------------------|----------------------|---|
| 3 <sup>rd</sup> August 2022 | Reviewed in line with schedule | See Section 6        | <ul style="list-style-type: none"> <li>• Inclusion of the Fire Safety 2021</li> </ul>   |
| 24 <sup>th</sup> July 2023  | Reviewed in line with schedule | See Section 6        | <ul style="list-style-type: none"> <li>• There are no major changes in this review of the Policy</li> <li>• Un updated EIA Relevance Test has been carried out</li> </ul>   |
| 22 <sup>nd</sup> July 2024  | Reviewed in line with schedule | See Section 6        | <ul style="list-style-type: none"> <li>• Job Titles changed throughout, where required</li> <li>• Section 3.7 updated to reflect current operational practice</li> <li>• The EIA information at Section 8 has been updated</li> </ul> |