

Leasehold Forum Meeting

16 April 2024 Minutes

Present:

- Peter Holt, Housing Team Leader (Accounts and Assets)
- Julie Hood, Housing Equalities and Engagement Facilitator
- 8 Leaseholders

Apologies:

- 5 received from Leaseholders
- Legal Team

Julie Hood opened the meeting and welcomed everybody.

She reminded the meeting that:

- although you are sitting in your home you are in a meeting; please do not do anything you wouldn't do in West Offices e.g. eat
- that everyone is in the meeting for their own reasons
- to treat everyone with respect at all times, this includes staff, attendees and any organisations present/discussed in the meeting.
- let others raise their issues
- Housing issues are the only issues staff may be able to change, they have no influence over other CYC departments e.g. Council Tax, Parking etc
- if it is suggested that your issue will be investigated outside of the meeting do not continue to discuss it
- no items will be discussed in any other business unless they have been sent 7 days prior to the meeting, under any circumstance

Lease Extension Process

Peter Holt, Housing Team Leader (Accounts and Assets)

Peter gave apologies from the Legal Team as they are unavailable to attend the meeting tonight. They have sent a document explaining the lease extension process. Peter prepared the following summary:

Overview

- Extend for 90 years + unexpired term of current lease
- Granted for peppercorn rent amount
- Leasehold Reform Housing and Urban Development Act 1993
- Informal process – direct communication with City of York Council
- Leasehold Management Team have no involvement

Conditions

Right to extend exists when:

- Leaseholder has owned lease for 2 years prior
- Can be a non-resident leaseholder
- Flat held on long-lease (21 years)
- No City of York Council flats meet the exception provisions of the Leasehold Reform Housing and Urban Development Act

Preparation

Before beginning the process the Leaseholder needs to:

- Check you are eligible
- Choose and instruct professional advisors (surveyor, solicitor etc)
- Obtain a valuation
- Assess the premium
- Make sure you have the money you will need to complete the procedure
- Gather the information you will need
- Prepare the leaseholder's notice

Premium

- The law does not say that you must have a full valuation in order to apply for a new lease, but it is strongly recommended that you do not go ahead with your application without getting proper valuation advice
- The eventual cost of the new lease will be:
 - The reduction in the value of City of York Council's interest in the flat (that is the difference between the value of City of York Council's interest now with the current lease and the value of the interest after the new lease is granted with the extra 90 years)
 - City of York Council's share of the marriage value

- Compensation for any losses City of York Council suffers as a result of the new lease being granted
- The reduction in the value of City of York Council's interest is:
 - The income lost from the ground rent for the rest of the original term, as the whole new lease will be at a peppercorn rent (a very low nominal rent)
 - The loss suffered due to the extra 90 years waiting for ownership of the flat to transfer back at the end of the lease (known as reversion)
- The leaseholder will also be responsible for the City of York Council's costs arising out of the service of the claim notice. Such costs are incidental to
 - Any investigation reasonably undertaken of the leaseholder's right to a new lease
 - Any valuation of the leaseholder's flat obtained for the purpose of fixing the premium and any amounts payable to intermediate landlords (if any)
- Lease extension calculator for flats – the Leasehold Advisory Service (lease – advice.org) can be found here <https://www.lease-advice.org/calculator/>

S42 Notice

Service of the S42 notice fixes the date for determining the premium payable for the lease extension. The notice must:

- State the full name of the leaseholder and the address of the flat
- Contain sufficient particulars to identify the property
- Must specify the premium which the leaseholder proposes to pay the landlord
- Specify the terms to be contained in the new lease
- State the name of the leaseholder's representative appointed to act in connection with the claim – this will usually be the leaseholder's solicitor or surveyor
- Specify the date by which the landlord must respond by service a counter-notice under S.45 of the Act (which must be not less than two months after the giving of the notice to the landlord and any third party)

The notice must be served by post to the City of York Council Legal team

Statutory Timescales

Timescales set out in the Leasehold Reform, Housing and Urban Development Act 1993 must be followed.

Final Steps

- Once the terms of the acquisition have been agreed a lease will need to be prepared by City of York Council giving effect to the terms of the acquisition which must be served on the leaseholder within 14 days of the agreement
- The Leaseholder will then have a further 14 days by which to return the draft with any amendments
- The new lease must be on the same terms as the existing lease together with any modifications agreed or required by the legislation
- Upon completion of the lease and upon payment of the Premium payable and relevant costs for preparation of the lease plus surveyors fees (details of which have been set out above), the leaseholder or their solicitor will then need to deal with filing of Stamp Duty Land Tax return form to HM Revenue & Customs (plus payment of any due SDLT to HMRC) and the application for registration of the new lease at the Land Registry

The full document will be sent with these minutes to all leaseholders who have requested a copy (or attended the meeting). A copy can be obtained by contacting the Leasehold Team.

The following was noted:

- Contact the Leasehold Team for information regarding the length of your lease. They will contact the legal team and find out.
- 90 years left on a lease is the time to think about extending the lease. Mortgage providers (in general) will not provide a mortgage for properties with 80 years or less so selling the property might be difficult.
- When looking for a solicitor not all have leasehold experience. It is best to use a solicitor with experience.

Insurance

Peter Holt.

Due to the work associated with the end of the financial year there was no update.

There will be an update at the next meeting.

Action Plan Updates

Peter Holt.

1. Explore providing more comprehensive insurance for leaseholders

Action - Peter Holt to discuss with CYC Insurance team.

Target date - December 2022.

Current – No further update due to end of year work taking priority.

Jan 2024 On Hold. Insurance advise they need to know the full address including postcode, type of property, number of bedrooms and bathrooms and each unit will require a rebuild sum insured. PH looking into rebuild sum, however some leaseholders have added additional bathrooms / en-suites and CYC do not have full data for this.

Suggested that leaseholders could provide rebuild cost and property amendments themselves, with a view to getting individual enhance policy. PH to discuss with insurance team

Previous (October 2023)- Broker was provided with dataset of all council properties, size, build type, bedrooms, elevation level etc. This was with a view of providing a quote for insurance. Insurance team have now advised that area size of properties is required, which we do not have for all stock. Currently looking at getting area measurements for sample of each type of property to mitigate this. Currently with Service Change manager to identify resource for this.

Previous (May 2023) – Will require writing to all leaseholders to find out what if any structural alterations have taken place along with obtaining rest of info Insurance have identified in previous update

2. Parking Project

Current – Awaiting decision on preferred enforcement measures (whether sign only or double yellow lines).

Jan 2024– Site visits have taken place this month to assess complex areas and simple ones. Further meeting before end of month and then move onto to publication.

Previous (October 2023) - With Business Intelligence team to identify properties that are within both Res Park and this scheme. Highway Supervisor assessing where best to place signs for each identified area. Next meeting Nov 23.

Previous (May 2023) – Properties being loaded onto Traffic Taranto System. Advice being sought from Legal on wording for signs. Design and cost of signs being looked at. Parking enforcement need to serve Traffic Regulation Order with a 3 month lead in time before new scheme can be activated. Letters to all residents early new year explaining scheme.

Any Other Business

These items of any other business were received from Leaseholders at least 7 days prior to the meeting:

- A communal door which is not in working order and needs an upgrade urgently
- Poor cleaning standards of communal spaces

Both are items specific to a block of flats so have been addressed outside of the meeting.

Leasehold Clinics

With recent changes to how leaseholders can access repairs information i.e. Open Housing quarterly statements are no longer sent. Some leaseholders are needing support to access the information and have questions about the repairs they are being charged for.

To provide more opportunities for leaseholders to speak with us we will be holding monthly Leasehold clinics. They will be held between 5pm and 6pm and consist of 6 x 10 minute appointments. Two Leasehold Management Officers will hold a clinic at the same time giving a total of 12 appointments.

The appointments will be either via Microsoft Teams or by phone.

The appointments will need to be booked in advance, giving the issue the leaseholder would like to discuss. This will enable the leasehold team to gather the necessary information for the leaseholder.

Contact the Leasehold Team to book an appointment contacted by email housing.leaseholder@york.gov.uk or phone 01904 551550 option 4, option 4.

The frequency of the clinics could change depending on demand for them.

Service Charges

Several individual issues regarding service charges were discussed.

The Leasehold team can be contacted by email housing.leaseholder@york.gov.uk or phone 01904 551550 option 4, option 4.

Next Meeting

A date in July 2024, to be confirmed.

Future agenda items to be:

From previous meetings:

Repairs/Capital Project team to discuss gutter cleaning. This to be on the agenda for the July 2024 meeting.

Public Realm to discuss lack of gardening.