

**Minutes for Leasehold Forum Monday 26th April 2021 – 18:30-19:30**  
**Held via Zoom**

**ATTENDEES:**

Representatives from Linford Crescent, Ribble Court & Wood Close, St James Close, Tickleford Drive, Wyndham Court.

Deborah Collis – Tenant Engagement Officer

George Whitcombe and Rosemary Dean – Leasehold and Right to Buy Officers

**APOLOGIES:**

1 representative from Ridding Close

**Welcome and introductions**

Introductions from all attendees took place

**Minutes from the last meeting:**

As the last Leasehold Forum was held in January 2020 and there was only 1 attendee a decision was made not to go through the minutes. Instead Debbie provided feedback on the Leasehold Information Sessions held on 2<sup>nd</sup> and 3<sup>rd</sup> of February this year.

Out of the 25+ attendees to each session, 21 people provided feedback. The highlights were that the majority of attendees were happy with the content and length of the sessions and 16 out of 21 people would prefer future sessions to be held on Zoom rather than face to face.

Attendees were also asked, are there any subjects you would like the Leaseholder Forum to look into?

They asked:

- How service charge costs arrived at ie: if a service is in house?
- Why so little contact available for Leaseholders. No direct number 7 days a week

Attendees were also asked, are there other subjects you would like an information session on?

- Leaseholders rights in regards of paying for refurbishments on the flats & leaseholder expected to pay even if nothing was done in my property
- Get people's email addresses and give them a discount on services charges when they go paperless. This is what banks and energy suppliers do. Everyone is a winner

- More detailed analysis of expenditure

We answered:

- Southampton City Council has a number of leasehold houses across the city. These properties are not maintained or repaired by the Council so do not pay service charge, only an annual ground rent. Ground rents can range from £25.00 to £2 per annum, depending on when the property was first sold. Some of these leases are very old, which is why their rents are so low.
- Since lockdown restrictions have been lifting, the Leasehold team have been able to visit the office more regularly. Since December we have been working from home but have continued to answer emails and phone calls during this time.  
Our phone line is open Tuesday and Thursday mornings but if someone wants us to speak to us in between these times, we are happy to call people back.
- Leaseholders are only charged for repairs, refurbishments and improvements to communal services and areas, they are not charged for work to individual properties. If we need to repair something inside a tenants flat, this is not charged to leaseholders and leaseholders are responsible for maintaining their own fixtures and fittings.
- This is a really good idea and we would like to get to a point where leaseholders can select to have their statements sent to them by email and also view their accounts online. Unfortunately the Council's IT systems are not robust enough to manage this but it is definitely something we are all working towards.  
At the moment, we do email statements to leaseholders who do not live in the UK but this is a very manual and time consuming process.
- Leaseholders via the Leasehold Forum have previously fed back to us that they wanted to see more information on their statements. For this reason we now provide an individual breakdown service charges on leaseholder's estimated and actual statements. Leaseholders can also request a further breakdown of these costs once they receive their statements in September.

### **Questions from attendees**

Has there been any further information on the government's plan to introduce 990 year leases?

At this time the government have introduced a rule that all new shared ownership properties will be sold with 990 year leases. This ruling only covers new shared ownership properties, not existing ones and there is no decision on leasehold flats or houses at this time.

Recently there was a consultation with Council tenants on the updating of the tenancy agreement. When is the lease agreement being updated?

The tenancy agreement was updated in line with new government legislations and social housing tenancies are governed by different rules than leasehold agreements. If there was a demand for changes to the lease from a number of leaseholders, the Council can hold a consultation but there would have to be at least 75% in agreement with the changes and less than 10% disagreeing. At this time we have had no official requests to change the lease.

How long should I wait to before extending my lease, should we wait until the government have made a decision on the 990 year leases? Also, how long does the process take?

We advise that you look to extending your lease before it reaches under 80 years. If the lease has less than 70 years remaining, the cost of a lease extension rises considerably and banks and building societies will not lend on these properties. As a lease extension is a legal process, the timescales are largely dependent on the solicitors. Usually the process takes a few months but they have been known to take much longer.

## **Presentation on Estimates and Actuals**

Rosemary and George gave a short overview of the estimates and actuals process:

### **Estimates:**

In March we sent all leaseholders a statement listing the estimated cost of services from 1st April this year until March next year.

We started work on these charges in November last year and had most of the costs ready to go by January.

We worked out the estimated costs by taking the actual costs for the previous financial year 2019-2020 and added an uplift based on the consumer price index. These costs for 2019-2020 were provided in the statement sent to leaseholders in September.

We then looked at all of the variable charges, such as repairs and utilities and checked any costs that seemed very high or very low for a block of that size. Where we knew that there had a high number of repairs, or there had been adjustments to the actual costs we amended the charges for 2021-2022.

This is to try and ensure that we are not charging leaseholders too much or too little!

When we were happy with the costs, we asked our IT to run tests and using the data they provided, ran further checks.

In February we had to put all testing on hold as our IT team needed to focus on uploading the tenant's rents. The letters for tenants have to be sent at the beginning of March so we have to plan our processes around this.

While we had all of the costs for our service charges ready to go by February, we have to wait until the beginning of March for our insurers to provide us with the premiums for the coming financial year. Once received, we ran our last checks and asked the IT team to load the data into our accounting system.

The estimated service charge statements have to arrive at least 14 days before the end of the month as a lot of leaseholders pay by direct debit. The direct debit guarantee states that if a business wants to make any changes to a direct debit amount, they must advise the bank account holder at least 14 days before the adjustment.

We opened the phone lines for 2 weeks after the statements had been sent to allow leaseholders to contact us if they needed to discuss the statement they had received. To do this George and I took turns to visit the office and take calls.

In the first week we received 2-3 calls a day but this number dropped during the second week with less than 1 call a day.

After the estimates go out Leasehold Services have our phones on every morning for 2 weeks to answer any queries regarding the statements

#### **Actuals:**

At the beginning of April we sent emails out to all of the service area heads asking them to confirm if they are still the correct person to contact to get the actual costs for specific services. We also asked them to provide us with information on who to contact if they were no longer managing that service.

We received templates from our IT team for each of the services we supply such as routine repairs, wardens and grounds maintenance. These templates also showed us the estimated costs for 2020-2021.

When we look at the actual charges, we are always looking at the previous financial year and we are currently in the process of working out the charges for the period ending in March. We then went through each of these templates to make sure all the relevant blocks were listed.

We have just sent all of these templates to the service areas and requested that they fill in all of the actual costs. We generally ask that we receive a reply in May, however some charges such as gas and electric are invoiced quarterly so we don't usually receive these costs until the end of June, beginning of July.

Once we have all of these templates back with the requested information we will start loading them into our accounting system and interrogate the data that comes out the other side. At this point we will be looking for any outliers there may be, such as any large credits or debits and we will investigate the differences.

We will continue to load the data back into our accounting system in this manner until we are satisfied.

Testing usually takes place between June to August, however we may still be running tests at the beginning of September

After we send the statements to be printed we'll get confirmation of the date they should be received by leaseholders. We will then set a date for when we will contact any leaseholders who have requested their statements be sent via email. We send these a bit later to ensure they arrive roughly the same time physical copies begin hitting the mats.

Our phone lines will then be open each morning for two weeks, so we can answer any queries there may be. After the phone lines revert back to their normal hours, we have just a few weeks before we start looking at the estimates for the upcoming financial year.

There were no questions from leaseholders.

### **Any Other Business:**

#### **Neighbourhood Wardens and Cleaning:**

A leaseholder had a question about the number of Neighbourhood Wardens across the city.

We advised that there were 41 Neighbourhood Wardens and 22 Cleaners both full and part time.

A question was put forward about litter picking in the Shirley area. The leaseholder asked whether any other attendees were experiencing issues. No one else had anything to report and the leaseholder was advised that the Shirley Local Housing Office were dealing with the matter.

#### **Future meetings:**

A leaseholder asked how the Tenant Engagement team were reaching people who were not able to use Zoom.

Debbie Collis advised that a letter was sent to leaseholders in 2020 asking whether they would be interested in attending information sessions on various leasehold topics. There were 120 replies to this enquiry.

When the pandemic put a halt to face to face meetings, a further letter was sent to the 120 people who had replied to the initial contact to advise that the information sessions would be held on Zoom. Support had been offered to anyone not used to using Zoom. There were 25+ attendees to each session.

After the sessions a survey was sent to all attendees asking for their feedback. Out of the 21 replies, 16 said they would prefer a Zoom meeting rather than face to face.

At the last Leasehold Forum, held in January 2020 there was only 1 leaseholder in attendance so we need to look at alternative ways of engaging leaseholders.

When will meetings be held face to face in light of lockdown easing?

Debbie advised that some people may not yet be comfortable with physical meetings even when the lockdown restrictions are raised. According to the feedback we have received a majority would prefer Zoom anyway.

There were more people expressing an interest in joining the Leasehold Forum but not all attended. On the date of the next Leasehold Forum a text message will be sent to all of the leaseholders who have expressed an interest to remind them of the meeting time.

A question was asked about how many leaseholders there are.

We answered that there are approximately 2100 leasehold flats managed by Southampton City Council. As some leaseholders own multiple properties we estimated that there are about 1500 leaseholders.

**Topics for future meetings:**

None proposed.

**Next meeting date:**

We have pencilled in 25<sup>th</sup> October 2021 as the next Leasehold Forum date and will be contacting leaseholders in August/September to confirm.