

Home Ownership handbook



This handbook contains general information and guidance, it does not form part of your contract and is not binding in any way. For legal obligations, please refer to your lease agreement. If you have any questions, please contact our Customer Services Team on 0300 3430016 or customer.service@settlegroup.org.uk.

We believe in continuous improvement and we regularly review our policies and procedures to take account of new legislation and feedback from our customers.

Copies of our policies are available on request or from our website at www.settlegroup.org.uk

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Welcome to settle

This handbook provides information on your rights and responsibilities, about the services settle provide to you as a homeowner (we use this term for freeholders, leaseholders and shared owners) and useful contact information.

We're listening

We will always listen and act on your feedback. You can use our online form, call, email or come and speak to us. You can also view our complaints procedure on our website at settlegroup.org.uk/complaints or call us for a printed copy.

If you'd like to compliment us on the service you have received please fill in our online form at settlegroup.org.uk/contact-us or give us a call.

Check your account online

You can now check your account, update your contact details and report a communal repair on our website. If you've not yet registered with us, go to www.settlegroup.org.uk/homeowner-account.

We may sometimes need to contact you if there's an emergency or you fully own your home and sub-let your property, so please make sure we have your current contact details.



Interested in our leaseholder engagement focus group?

By being part of our focus group, you can help shape how we deliver our services to leasehold residents. For more information on how you can be part of the panel, please contact the home ownership team.

Your service charges

If you own a leasehold property you need to ensure you pay the service charges. These charges are for the maintenance of any communal areas and elements of the building that you will use but don't own, which include:

- Roof
- Communal cleaning (where agreed)
- Grounds maintenance (Cutting of grass, hedges and trees etc – where agreed)
- Servicing and repairs of lifts, lighting, security doors, CCTV, fire safety equipment etc
- Cost of electricity, gas and water
- Buildings insurance

We will normally send an annual estimated bill in February. This is an estimation of what we think each aspect of the service will cost for the financial year ahead (April to March). This is based on the costs from the previous year taking into account our known contractor costs.

*If your lease states that you will only be billed annual costs, you will not receive the estimate in February. You will only receive your actual charges around October.



Once the financial year has ended, we will calculate the actual costs of the services. We will then provide you with a bill for this in September/October. If we have overspent we will charge you the difference, if we have underspent we will credit your account with the difference

Your agreement will say which services are included in your charges, and whether you pay them weekly, monthly or quarterly.

We only recharge leaseholders the actual costs of providing a service to your estate each year. If you are concerned about a specific item on your statement or if you think that you have been incorrectly charged then please get in contact with us.



Ground rent

Ground rent is a sum of money payable from a leaseholder to a freeholder to acknowledge that they don't own the land. The ground rent varies from £10 to £100 depending on your lease and this is chargeable every April. We will send you a reminder of this in March.

Major works / Section 20 consultations

The service charges that you pay go towards the 'day to day' running of your estate. There may be costs that occur for large items such as windows, roofs, lifts and communal decorations. We sometimes refer to these as 'major works'.

When we plan to carry out any one-off repairs or major works that will cost each property more than £250, or enter into a contract that will cost each property more than £100 per year, we are required by the Landlord and Tenant Act 1985 to consult with you first. These are known as 'Section 20 consultations'.

When this happens, we will send you a letter that explains what works need doing and why. You can then provide us with your views and suggestions.

It is important that if you receive any Section 20 notices, you should keep hold of them to give to your solicitors when you sell the property.



Subletting your property

At settle most of our leases have no restrictions on subletting, however it is always important to check your lease agreement first. Please note shared owners cannot sublet their properties. As a homeowner, you can rent out your property if:

- Your lease allows you to
- You obtain permission from us (there will be a charge of £25)
- You have sent us a copy of the tenancy agreement
- You send us your correspondence address and up to date contact details

As we don't have a contract with the sub-tenant we will only liaise with you as you are our customer. As the property owner you will still be responsible for:

- Meeting the terms and conditions of your lease
- Paying any service and other charges to us
- Ensuring that the gas, electrical and other legal checks are carried out and certificated by a qualified person, as well as the other legal responsibilities of being a landlord.
- Advising your mortgage lender and meeting any of their requirements

Keeping pets at your property

Please check your leasehold agreement before getting a pet. Some agreements allow you to keep domestic pets and others don't. If you're unsure, please contact us and we will confirm this for you.

If your lease does allow you to keep a pet, you'll need to request permission from us (there will be a charge of £50). You can do this by emailing or writing to us.

If you do keep a pet, you must:



- Not allow it to cause nuisance or distress to others
- Not allow it to cause damage to property or communal areas
- Clean up after your pet whether it be in your garden, a communal area or other parts of your neighbourhood.
- If you want to install a cat or dog flap you'll need to request permission from us
- A dog should be kept on a lead and not allowed to roam free in the communal areas.
- You're not allowed to keep a dog listed within the Dangerous Dogs Act.



Alterations to your property

We know that you are going to want to make your home your own, and make it look exactly how you want. However, it is a term of your lease agreement that you'll need to request our written permission to make alterations or improvements that will change the appearance or structure of your property (including changes you have made in the past). This includes things like:

- Replacing doors and windows
- Installing a driveway
- Building or removing any walls
- Adding extensions, porches, loft conversions and conservatories
- Painting or cladding the outside walls
- Erecting any solid built building like a garage, outbuilding or shed

We will not unreasonably withhold permission but you must make settle aware of these works as it could unknowingly impact others on living in the building.

Extending your lease

Your lease will have a start date and an expiry date. Most of the leases at settle were granted on terms of 99 years or 125 years from the commencement date. As there is an expiry date, when this is reached you would have to give the property back to settle. All leaseholders who have owned the property for more than two years and own 100% of the lease have a legal right to a statutory lease extension which would extend your lease by a further 90 years. If you are a shared owner, you do not have a statutory right, but we are still here to help you.

As the leaseholder you would be required to cover all costs including both yours and our solicitor costs, our valuation fee, our administration fee and the premium. You will need to employ a solicitor to deal with this. They will instruct a Valuer to calculate the proposed premium (the value of extending the lease) and serve a Section 42 notice offering the amount that the Valuer advises. We will instruct a Valuer to provide us with a proposed premium and our Solicitors to act on our behalf. Once the premium is agreed then a new lease is created.

For more information please visit the independent lease advice website www.lease-advice.org. Before you begin, we suggest you ask your solicitor for a quote for their costs.

Buying the freehold of your property – enfranchisement

If you own a leasehold house, you may have the option to buy the freehold if you have held the lease for at least two years. This is known as enfranchisement. As the leaseholder you would be required to cover all costs including both yours and our solicitor costs, our valuation fee, our administration fee and the premium.

You will need to employ a solicitor to deal with this. Your solicitor will serve us with a notice of tenant's claim to acquire the freehold. If the freeholder of your property is Letchworth Garden City Heritage Foundation, they will need to be served notice as well.



Selling your property

When you own 100% of your leasehold home, you can normally sell your property in the usual way via an estate agent or on the open market. If you have brought through right to buy in the last 10 years you will need to offer it back to us first, and re-pay some of the discount within the first 5 years. We can help you calculate this.

Once a buyer has been found you will need to instruct a solicitor to manage the legal process. They will need to request a sales information pack from us; also known as a leasehold management pack. This pack contains important documents relating to your property, such as service charge accounts and the buildings insurance. It also includes the answers to the standard leasehold enquires (also known as LPE1 enquiries). Once we have received payment for this we aim to send out your sales pack within 10 working days.

If you are a shared owner you will need to contact our Sales Team giving notice and make payment for the cost of the valuation. We then have a certain number of weeks (depending on your lease) to provide you with the name of a potential purchaser. If we cannot find a suitable purchaser, you will be free to sell your property on the open market. However, we still need to approve potential purchasers, and their mortgage. Once a buyer has been found you will need to instruct a solicitor and are able to purchase our sales pack. This will contain all information that your purchaser will require.

More information can be found on our Sales website - www.settlesales.co.uk



Responsibilities in and around your property

Please check your lease for full details of who's responsible for what in and around your property. This can vary from lease to lease, however in general you are responsible for anything beyond the immediate entrance to your property. These items include fixtures, fittings, doors and the glass in the windows and doors in your property. Outside, this may include outbuildings such as a shed.

As the freeholder settle will be responsible for anything that is communal/shared with the other dwellings in your block, and elements of the communal building such as the roof, structure, foundations, gutters etc.

Administration fees

These tables outline our administration fees for the key services.

Leasehold Service	Admin fee (including VAT)
Sales pack (leasehold)	£200
Sales pack (freehold)	£100
Sales pack additional queries	£30 per query
Notice of transfer	£50
Notice of charge	£50
Mortgage approval	£60
Certificate of compliance	£50
Requests for copy of lease	£10
Lease extension	£300
Enfranchisement	£120
Pet permission	£50
Sublet permission	£25 per tenancy
Deed of variation	£180

How to make payment

There are a number of ways you can make a payment. Please visit **www.settlegroup.org.uk/pay** to find the most convenient option for you.



Ways to contact us

Visit our website
www.settlegroup.org.uk

Send us an e mail at
customer.service@settlegroup.org.uk

or call us on
0330 343 0016

You can tweet us using the handle
@settle_foryou