Home Ownership Policy

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Author Title & Issuing Department	Head of Income and Home Ownership
Target Audience	Home Ownership team

Approved By	
Date Approved	
Review Date	3 years or when legislation updated

Links to Regulatory Standards – Economic/ Consumer Standards	
Outcomes for Customers	Clarity on homeownership services
How were tenants, residents and service users involved in the review/development of this document	Reviewed by involved residents at Neighbourhood SIG, Scrutiny Panel, Proof Readers, Policy Review, Survey Group
Training Provision	Training provided within Income and Home Ownership Teams
Links to the Business Plan	To provide excellent, locally accountable customer services with customers at the heart of everything that we do.
Links to Key Values	

Version Control

Version	Revision Date	Author: Job Title	Change Description

1. Introduction

1.1 Emh is committed to meeting its responsibilities towards homeowners in accordance with the terms of their leases and providing quality management and maintenance services.

1.2 This policy sets out a framework to deliver an efficient, customer focussed quality home ownership management service that delivers value for money to leaseholders and shared owners

1.3 The key objectives of this Home Ownership Policy are:

- To ensure that emh meets its responsibilities to homeowners under the terms of their leases and provides quality services that deliver value for money.
- To consult homeowners in accordance with legislation, and where appropriate in line with good practice.
- To ensure that each functional area within emh understands its service responsibilities to homeowners and that a seamless and effective home ownership management service is provided.

2. Definitions and Scope

2.1 For the purpose of this policy, home ownership properties include:

- Leases granted under the Right to Buy or Preserved Right to Buy
- Leases granted under the Right to Acquire and Voluntary Purchase Grant
- Shared Ownership leases
- Leases purchased from a previous leaseholder
- Leasehold schemes for the elderly.
- New Model of Shared Ownership

2.2 The lease is the contract between emh and the homeowner. It details the agreement by each of the parties. Some leases provide for specific apportionment of costs. Where this is not specified in the lease, emh will apportion charges equally between each homeowner in the block or scheme where the service is provided.

3. Specifics of the Policy

3.1 Ground rent and service charge

3.1.1 Ground rent is set in the lease and collected alongside the service charge.

3.1.2 Homeowner service charges are raised in accordance with the terms of the lease and charged on a variable service charge basis. Appropriate notice will be given to shared owners and leaseholders in the prescribed form.

3.2 Repairs & maintenance

3.2.1 Emh is responsible for repairs and maintenance as detailed in the lease. This is usually limited to communal areas.

3.2.2 Leaseholders and Shared Owners are responsible for repairs and maintenance of the property as detailed in the lease.

3.2.3 Emh will seek value for money in delivering repairs and maintenance generally and where major works are required. Charges will be reasonable, and works will be of a reasonable standard.

3.2.4 When scoping works, decisions are based upon the long term value for money in block maintenance regardless of the proportion of tenanted or leasehold properties. All works undertaken will be in accordance with the terms of the lease and works which necessitate Section 20 consultation will be dealt with in line with legislation.

3.3 Insurance

3.3.1 Emh will insure the structure of the buildings as detailed in the lease. The charge for this will be recovered from homeowners, in accordance with the lease.

3.3.2 Homeowners must inform emh of any changes in circumstances that may impact on the insurance, for example, subletting which is subject to approval (Shared Owners are not permitted to sublet).

3.3.3 It is the responsibility of the homeowner to contact emh's insurance company direct if they wish to make a claim from the buildings insurance.

3.4 Management/Admin Fee

3.4.1 Emh management/admin fees will cover the costs of providing management and general administration of service charges.

3.4.2 Some properties may be managed by a third-party managing agent, these costs will be passed on in accordance with the lease.

3.4.3 Where the lease agreement allows, emh will charge a management/admin fee for services.

3.4.4 Emh will review its management charges from time to time to demonstrate value for money.

3.4.5 Emh may make additional admin charges for specific services not covered by the management/admin fee.

3.5 Service charges and ground rent

3.5.1 Emh will prepare timely and accurate information about the costs of services for which service charges are due.

3.5.2 Service charges will be based on actual costs for each block and will be levied to homeowners in accordance with the lease.

3.5.3 Leaseholders may be required to pay ground rent in accordance with their lease. Ground rent demands will be made in accordance with legislation.

3.6 Service and other charge arrears

3.6.1 If arrears occur, the homeowner will be contacted by the emh to encourage them to either make an immediate payment to clear the full amount or to make an agreement to clear outstanding debt by instalments.

3.6.2 Emh will take legal action to recover debts where appropriate in line with the Income Collection Policy.

3.6.3 Homeowners may be signposted to or offered advice about relevant state benefits to assist them in maximising their income and meeting their service and other charge liability.

3.7 Sinking fund/provision pot

3.7.1 Where the lease allows, sinking funds/provision pots may be established to provide for major work required to the scheme, reducing the need for large changes in the annual service charge or major works bills.

3.8 Homeowner consultation

3.8.1 Emh will consult with homeowners as required by law and in line with good practice.

3.9 Homeowner Improvements

3.9.1 Homeowners must obtain written permission from emh before making alterations or improvements as required by the lease. Permission will not be unreasonably withheld. Homeowners are required to submit full details of the proposed work, including proof of planning permission and building control consent where applicable.

3.10 Breach of Lease

3.10.1 Emh may take action for a breach of lease. Examples of a breach of lease include but are not limited to failure to maintain the premises, subletting (see below), carrying out works without consent.

3.10.2 In all such cases emh will usually serve notice on the homeowner requiring them to remedy the breach. Further action may be taken, which could include seeking an injunction or forfeiture.

3.11 Subletting

3.11.1 Leaseholders must obtain written permission from emh to sublet their property. Permission will not be unreasonable withheld. The leaseholder will remain responsible for their obligations in the lease including payment of service and other charges, and the conduct of their tenant.

3.11.2 Under the terms of the shared ownership lease, shared owners are not permitted to sublet their home.

3.12 Lease extensions

3.12.1 Emh will respond to requests from homeowners that meet the qualifying criteria for a lease extension. Homeowners will be required to meet their own and our legal costs.

3.13 Transfer of Interest

3.13.1 Homeowners are entitled to sell their leasehold interest to third parties and emh will deal with enquiries relating to such transfers in a prompt and efficient manner, emh will make a charge for responding to enquiries.

3.13.2 Emh must be notified prior to the completion of transfer, by the homeowner or the solicitor acting of their behalf.

4. Implementation

4.1 This is an existing policy and is already in operation. An overview of the policy will be shared with all the teams responsible

4.2 The Head of Income and Home Ownership and the Home Ownership Manager are responsible for carrying out the statements contained within the policy.

5. Responsibilities

5.1 The Head of Income and Home Ownership is responsible for monitoring the effectiveness of the policy

6. Associated Documents

- Asset Management and repairs policy
- Antisocial behaviour policy
- Income collection policy
- Service charge policy
- Complaints policy
- Resident Involvement
- Equality and diversity policy