

Frequently Asked Questions (FAQs)

To assist you, we have produced a set of 'Frequently Asked Questions' to address some of the commonly asked questions that are raised during the consultation process.

Why have I been sent this Notice?

This is a statutory consultation notice prescribed by section of the 1985 Landlord and Tenant Act. Whenever we plan to carry out major works, also known as qualifying works, to a block that are likely to cost a homeowner more than £250, we are required by law to serve a formal consultation notice that includes, in brief, a description of the proposed works and a second follow-on notice that includes the anticipated costs and your estimated contribution.

What are major works (otherwise known as qualifying works)?

This is the term we use to describe large-scale or substantial works project/s that are carried out to keep your development looking good and working correctly. This work is often conducted as part of an ongoing development maintenance programme and can include:

- Structure; like looking after the roof and external walls or surfaces
- Upgrading interior items; lifts or fire alarms for example
- Redecoration; painting communal areas or protecting the building's exterior
- Systems; maintaining the lifts and upgrading communal heating
- Repairing roads, development accessways or pathways.

Occasionally, major works also includes emergencies that cannot be planned for, such as repairing a major roof leak.

What is a Section 20 consultation?

This process states that we, as managing agent, must consult with homeowners via a [notice of intention](#) (1st notice). This notice should inform homeowners about the intended works project to be carried out and the details involved. Following a tender process for the works a second notice is then issued, this is called a [notice of estimates](#) (2nd notice) providing the full costs associated with the project. At each of the two stages in the notice process, we present homeowners with the opportunity to provide their observations and any feedback. During the notice of estimates, we also allow homeowners a chance to suggest or recommend contractors of their own.

What if the cheapest contractor is not appointed?

If we choose a contractor who isn't the cheapest, or is a selection made by a recognised Residents' Association nominee, we will send you a letter explaining why. We will also write to let you know when the contractors will be starting the work.

Will I be required to pay for the works?

Yes. As the appointed managing agent acting on behalf of your Landlord or Management Company, we have an obligation to repair and renew the common and structural parts of your building and, where applicable, the estate. Under the terms of your lease /transfer, you are required to pay a proportion of any costs incurred in carrying out this work.

However, each year homeowners often pay into a reserve fund, through their service charge. This fund is money that is set aside, year-by-year, to pay for longer term maintenance for the development. We use this money to help pay for the development's major works projects.

What if the reserve fund doesn't cover the cost of the work?

If the development's reserve fund won't cover the cost of the work, we write to home owners requesting an additional contribution. We do this as soon as we know what the additional costs are. Major works projects vary in cost, but we will always make sure you know how much we are spending your money.

When will I be billed for this work?

The second consultation notice, entitled a 'Notice of Estimates', will set out your individual contribution to the cost of the works. If the works are not funded in their entirety by any reserve or sinking fund held a demand will be enclosed for your contribution of the works. If the works are funded in their entirety by any reserve or sinking fund, you will not be asked to pay your contribution towards the works as this will already be held within the trust bank account/s for your development.

Isn't the cost of this work covered by my day-to-day service charges?

Your service charges are for the provision of day-to-day services and any minor repairs that we estimate will cost under £250. They do not generally cover the cost of major works that need be carried out from time to time. However, a reserve of sinking fund may be collected for your development and these funds may be utilised to fund major works. In any event the 'Notice of Estimates' you will receive will address this query in full.

How is my estimate calculated?

Your contribution toward the costs is set defined in your lease (and on the consultation notices and invoices you receive). It represents your property as a proportion of the total of all of the properties that make up your block / development. If you are part of a wider estate your contribution towards estate works is derived in a similar way but based on your property as a proportion of all the properties that make up your estate. You must then pay these proportions towards any corresponding costs incurred in maintaining the building and / or any wider estate.

Can I opt out of having this work done?

It is not possible for you to simply opt out of having this work done. Your Landlord or Management Company has an obligation to repair and maintain, or improve where necessary, the structural and common parts of the building and to keep it in good order and condition for all residents. This consultation does however give you the opportunity to inform the specification of works.

What is a 'Contingency Sum' for if it is included?

A contingency sum is included to cover the cost of any relevant unforeseen works that come to light during the project. If no extra works are needed this sum will not be charged.

As an example, contingency costs may be incurred when additional works arise in relation to areas of the building that could not be visually inspected at close quarters prior to the commencement of works. This is generally because such a visual inspection was cost prohibitive due to access constraints e.g. areas at height on a building that would require scaffold access etc.

What are covered by 'Preliminaries'?

Preliminaries are the contractor's costs associated with managing all works that are undertaken. They typically include site set-up including personnel who will manage the works and the cost of utility services and welfare facilities that are used during the works e.g. water, electricity, etc.

What is snagging?

Once the works have been completed, we will check where possible that the work has been completed correctly. This stage is called 'snagging'. Part of the payment for the work is retained until satisfactory completion is achieved. During this stage we will write to you again if the location of the works is generally visible to all homeowners, asking for your comments and if there are any problems we need to fix. We will pass any comments or problems on to the contractor and make sure they rectify any issues.

How can I find out more about my rights as a Leaseholder?

Further information may be obtained by contacting L.E.A.S.E (formerly the Leasehold Advisory Service), an independent body set up by central government: <http://www.leaseadvice.org/>, (tel: 020 7383 9800).
