

1. Background and objectives

- 1.1. This policy outlines Alliance Home Groups' approach to the management of residential leasehold homes we deliver services to.
- 1.2. This policy covers the residential leasehold management of:
 - Homes that have been purchased under the Right to Buy, Preserved Right to Buy or Right to Acquire schemes
 - Homes that have been purchased that were previously acquired by customers through the Right to Buy or Right to Acquire process
 - Sheltered leasehold homes that have been purchased on the open market which Alliance Homes manage under contract on the behalf of the freeholder – North Somerset Council
 - Homes within blocks where a shared owner has purchased the leasehold interest of their flat to become an outright owner
- 1.3. The policy does not apply to leasehold properties purchased on a shared ownership basis which will be managed in line the Shared Ownership Management Policy.
- 1.4. The rights and responsibilities of Alliance Homes as the landlord and for each homeowner are determined primarily by the terms of the lease agreed and legislation. The lease is the main determining factor in relation to the way a leasehold home is managed and maintained. The contents of an individual lease will take priority over the content of this policy.

2. Services provided to Leasehold Homeowners

- 2.1. We provide a range of services to our leasehold customers that can vary from property to property. We will ensure that our leasehold customers know which services will be provided and the costs of these services. Subject to the terms of individual leases, we are generally responsible for providing a leasehold management service, in addition to providing the following services to homeowners:
 - Repairing and maintaining items for which Alliance Homes have maintenance responsibility. For flats, this mainly relates to the structure, services and external fabric of a building and for communal areas
 - Planned improvements to communal areas of a block or an estate
 - Maintenance of open and communal areas
 - In some instances, cleaning and grounds maintenance
 - Dealing with complaints for neighbour nuisance and anti-social behaviour

- Preparing and providing clear and detailed information regarding service charges
- Undertaking Section 20 Landlord and Tenant Act 1985 consultations where applicable for long-term qualifying agreements or qualifying major works
- Managing and administering sinking funds for sheltered leasehold homeowners
- Ensuring that buildings insurance is in place
- Provide services that fall outside the annual management charge, for example providing sales packs, dealing with requests for lease extensions, completing Notices of Transfer or lease amendments. Homeowners will be charged separately for the services provided and a Schedule of Charges is contained on the Alliance Homes website. These charges are reviewed and amended annually.

3. Service Charges

- 3.1. We manage the delivery of services and administer and apply service charges for any associated costs in line with our legal contract with each customer and for the purposes of this policy this will be the lease agreement.
- 3.2. Alliance are the freeholders for most of the leasehold homes that are managed. In cases where Alliance do not hold the freehold we will administer and manage service charges in line with the legal agreement we have with the freeholder or the superior landlord.
- 3.3. We administer variable service charges, and the setting of these charges is in line with Section 18 of the Landlord and Tenant Act 1985.
- 3.4. Service charges and service costs are reviewed annually prior to determining the level of charges for the forthcoming year. The actual costs that were incurred in the previous 12 months of the financial year are reviewed, any known contract price increases and the increase in the CPI are considered and an estimate of how much the service charge should be uplifted for the forthcoming year is made and applied. A demand for the estimated annual service charge is then sent to homeowners.
- 3.5. All demands for annual service charges will clearly set out the service provided and the estimated cost per property for providing the service.
- 3.6. Following the end of the financial year there is a reconciliation of estimated service charge expenditure against actual expenditure. This reconciliation results in a final account being produced which details the actual cost of delivering services against the estimate that was set, and this may result in a surplus or a deficit for the customer concerned. Each homeowner is then sent a Service Charge Certificate which details the actual costs for the year.

- 3.7. Some of our leases include the obligation for the leasehold owner to pay ground rent. We will observe the statutory requirements in respect of ground rent demands as specified within the Commonhold and Leasehold Reform Act 2002.
- 3.8. In accordance with the terms of individual leases, some blocks of flats will have reserve funds in place to cover the future replacement or renewal of key communal assets such as roof replacement, lift replacement – this is not an exhaustive list. Where the lease allows, sinking funds will be established and managed to build up monies to pay towards the future costs of replacement. A statement of the current value of the sinking fund (if applicable) will be provided annually to leasehold homeowners.

4. Service Charge Debt

- 4.1. Where a homeowner has service charge arrears, we will recover the arrears in accordance with the lease. We will use a tailored flexible approach in working with customers to pay debt, ensuring the debt is cleared in a reasonable amount of time whilst not causing hardship to the customer.
- 4.2. We will ensure that throughout the recovery process a range of contact methods are attempted to engage with the customer on what is owed and why, with particular focus on personal contact and customer communication preferences.
- 4.3. If the debt remains, if necessary, the lessee's mortgage lender (if applicable) will be contacted to reach agreement for the repayment of the debt.
- 4.4. If this fails and the debt remains, we may take further steps to recover the debt by commencing legal proceedings in the County Court.

5. Repairs to Communal Areas

- 5.1. Where specified in the terms of the lease we are responsible for maintaining the structure and communal areas of the building and leasehold homeowners will be charged for their share of the costs for any work carried out.
- 5.2. We will put in place appropriate arrangements to maintain buildings/and or parts thereof in accordance with lease obligations. This includes where appropriate day-to-day repairs, cyclical maintenance and major works.
- 5.3. We will provide a responsive repairs service for repairs which are our responsibility, for emergency repairs this includes a 24-hour, 365-day emergency call out service. Leasehold homeowners may report communal repairs by calling us on **03000 120 120** or emailing us at **act@alliancehomes.org.uk**

6. Section 20 Consultation

- 6.1. We are responsible for planned, cyclical and major works to the structure and communal parts of blocks of flats, for such as external painting, roofs, communal doors and windows and door entry systems and to estates in general (not an exhaustive list).
- 6.2. The cost of carrying out planned, cyclical and major works to the structure and communal areas of blocks of flats and to estates in general will be recovered from homeowners in accordance with the terms of individual leases.
- 6.3. If we are planning to undertake Qualifying Works or enter into a Qualifying Long-Term Agreement for any goods or services, we will consult with all affected homeowners, and recognised residents' association in line with Section 20 of the Landlord and Tenant Act 1985 as amended by the Commonhold and Leasehold Reform Act 2002.
- 6.4. Qualifying Works are works to the premises where the amount payable by any homeowner exceeds £250 for works within the service charge financial year.
- 6.5. A Qualifying Long-Term Agreement for any goods or services is any agreement entered into by a landlord for a period of 12 months or more where the amount payable by any homeowner exceeds £100 in each period, which is the service charge financial year.

7. Requests for Improvements

- 7.1. Leasehold homeowners require written permission to carry out any alterations or improvements that would affect the fixtures and fittings of the dwelling, the exterior of the building or the structure of the building. Requests for permission by homeowners to make alterations or improvements to their homes will not be unreasonably withheld unless they would constitute a breach of lease conditions.

8. Sub-Letting

- 8.1. Permission to sub-let a property will not be unreasonably withheld. Written permission must be obtained beforehand.
- 8.2. Homeowners under the terms of their lease, are responsible for the actions of their tenant and it should be made clear to the tenant that they will comply with all covenants of the lease.

9. Anti-Social Behaviour

- 9.1. We aim to ensure that homeowners understand the terms of their individual lease and are aware of their responsibilities and obligations and potential sanctions should the terms of the lease be broken.

- 9.2. Complaints of anti-social behaviour will be passed to the Community Safety Team to manage.

10. Legislation and regulations

The following legislation and regulations are applicable to the operation of this Policy:

- Law of Property Act 1925
- Landlord and Tenant Acts 1985 and 1987
- Housing Act 1985
- Housing Act 1988 as amended by Housing Act 1996
- Commonhold and Leasehold Reform Act 2002
- Leasehold Reform, Housing and Urban Development Act 1993
- Fire Safety Act 2021
- Leasehold Reform (Ground Rent) Act 2022
- Royal Institute of Chartered Surveyors (RICS) Code of Practice
- Equalities Act 2010
- Social Housing Regulation Act 2023
- Regulator of Social Housing Consumer Standards 2024

11. Monitoring, consultation, and review

- 11.1. The Service Delivery Manager - Home Ownership and Service Charges and Leasehold Services Manager are responsible for the implementation and review of this policy.
- 11.2. This policy will be reviewed within three years of its approval date.

12. Equality and diversity

- 12.1. This policy is subject to a periodic Equality Impact Assessment (EIA).
- 12.2. The purpose of such an assessment is to consider the effect of the policy regarding the recognised protected characteristics of equality and ensure that it does not unfairly impact any individual or group. The protected characteristics are age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership, pregnancy and maternity or other grounds set out in our Equality and Diversity Strategy. Remedial action will be undertaken if a detrimental effect is identified.

- 12.3. The EIA also requires the policy author to consider whether the policy is likely to negatively impact on a person's Human Rights.
- 12.4. This policy and any other related Alliance Homes publications can be provided in other formats for those with visual, literacy or language difficulties.
- 12.5. Alliance Homes has a Reasonable adjustments policy, this applies to Alliance Homes residents, leasehold homeowners, licensees, shared owners, and customers receiving support services who may not be tenants. The policy explains how we will support customers, and it provides guidance for colleagues and contractors on how we define vulnerability. Some customers experience vulnerability and may, temporarily or permanently, need support or adjustments made to the way we deliver our services to them to enable them to have fair access to our services. We are committed to identifying these customers to make sure our working practices and services meet their needs.

13. Complaints

- 13.1. If you would like to raise a complaint in relation to this policy, you can do this by calling us on calling us on **03000 120 120** or emailing us at **act@alliancehomes.org.uk**.
- 13.2. All complaints will be handled in line with the latest Alliance Homes Complaint Handling Policy.

14. Associated documents

- 14.1. The following documents should be referenced in conjunction with delivery of this Policy:
- Alliance Homes Financial Regulations
 - Service Charge Policy
 - Debt Management Policy
 - Write Off Procedure
 - Reasonable Adjustments Policy
 - Anti-social Behaviour Policy
 - Estate Management Policy

15. Version control and approval dates

Approval stage	Date completed
Equality Impact Assessment completed	08 August 2025
EIA reviewed by specialist colleague within HR	14 August 2025
SLT review / approval	03 October 2025
Next review date	03 October 2028

16. Appendices

Appendix 1 - Equality Impact Assessment

Appendix 1

Equality Impact Assessment

An Equalities Impact Assessment must be conducted alongside the review of an existing policy or the creation of a new one.

1. Name the Strategy, Policy, Procedure or Function (SPPF) being assessed and name of author.

Leasehold Management Policy, Elaine Hargate, Service Delivery Manager – Home Ownership and Service Charges

2. Aims of the SPPF being assessed.

The aim of this policy is to ensure that Alliance Home Groups' approach to the management of residential leasehold homes is fair, transparent and consistent.

3. Who has been consulted in developing the SPPF?

Cath Pullin – Service Director – Customer Operations
Andy Copeland – Leasehold Manager

4. Does the SPPF promote equality of opportunity?

This policy promotes equal access to our services by ensuring that AHG's management of leasehold homes is delivered in a fair, open and transparent way.

5. Identify potential impact on each of the diversity “groups” by considering the following questions (the list is not exhaustive, but an indication of the sort of questions assessors should think about):

Protected Characteristic	No impact	Negative impact	Positive impact	Information source/s **	Comments/evidence
Race			x		<p>This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.</p> <p>We make reasonable adjustments in line with our Reasonable Adjustments Policy to ensure that information can be provided in different languages.</p>
Disability			x		<p>This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.</p> <p>We make reasonable adjustments in line with our Reasonable Adjustments Policy to provide information to meet communication needs for example, producing leasehold service charge information in braille.</p>
Gender	x				<p>This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.</p>
Transgender	x				<p>This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.</p>
Sexual orientation	x				<p>This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.</p>

Religion or belief	x				This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.
Age	x				This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.
Marriage & Civil Partnership	x				This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.
Pregnancy and Maternity	x				This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.
Rural issue	x				This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.
Social mobility	x				This policy promotes equality by ensuring that AHG deliver the management of its leasehold homes to customers in a fair, open and transparent way.

Was there a negative impact identified in question 5? If yes go to question 6. if not go to question 7.

6. If “negative impact” identified in table (4) above is it? Not applicable

Legal -

YES	NO
HIGH	LOW

What is the level of impact? -

If it is not legal and/or high impact – (i.e.: if you have highlighted NO to legal and HIGH to impact, then the document should be referred to Head of HR)

7. If positive impact has been identified in table 4 above, how can it be improved upon or maximised, either in this SPPF or others?

Now that this policy is specifically focussed on leasehold customers, we aim to analyse the demographics of customers impacted by this policy in future to enhance the Equality Impact Assessment.

8. Full EIA (or if you decide full EIA is not necessary but some changes should be considered)

No

9. Does this proposal have any potential Human Rights implications?

If yes, please describe (if necessary, please refer to the Alliance Homes Group Human Rights Policy)

No