

About this handbook

Merlin
www.merlinhs.co.uk

Dear Leaseholder

Welcome to your leaseholders handbook. It describes your rights and responsibilities as a leaseholder and ours as your landlord.

We have produced this handbook in partnership with the Leaseholders Forum. The Leaseholders Forum is the body that serves our leaseholders. It promotes and represents the interests of nearly 500 leaseholders, meets regularly and works closely with us on matters affecting leaseholders.

This handbook is divided into five sections, each dealing with a different subject. Please see the contents page or the index at the end of the handbook for more information.

You can find contact information for us in section five.



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About us

Section 1



We are Merlin Housing Society, a registered provider, currently regulated by the Homes and Communities Agency.

We are managed by an unpaid Board of non-executive directors, all of whom bring a wide range of skills and experience to the organisation. The Board is supported by our executive team – paid professionals who direct the running of the business on its behalf.

Our service to you

We want to provide an excellent service.

To do this we will:

- be courteous, polite and professional at all times;
- treat you as an individual when you access our services;
- listen to you and do our best to help each and every time you contact us;
- train our staff to deal with your questions or problems or point you in the direction of someone who can;
- respect your right to confidentiality and keep your personal information safe;
- wear name badges and when visiting you in your home always show you an identity card;
- give you our name clearly when on the phone;
- say sorry when we make a mistake and work with you to get it right.

In return we ask that you:

- treat us politely and with respect;
- give us all the information we need to help you in any problems that you have;
- stick to appointments or let us know as soon as you can if you can't make an appointment.

Complaints and feedback

We believe that providing excellent service is essential. We want to know what you think and welcome your feedback, both good and bad, on the services we provide. We want to learn from this to improve our services to you.

Comments

We welcome your suggestions on how to improve our services and will pass these to the relevant service area.

Compliments

If you have any comments on how we provided a service that exceeded your expectations then let us know. We will pass your comments on to the relevant member of staff and their manager.

Complaints

We know that sometimes things can go wrong. If you feel that the service we have provided has fallen short of your expectations let us know so we can put it right, and prevent similar issues happening in the future.

How to complain or give feedback

You can contact us over the phone, by email, through our website, by letter, or in person at one of our area offices. Contact details for all of our offices can be found in section five. You can complain or give feedback to any member of staff.

What happens to your complaint?

We try to resolve complaints at first contact. However if we are unable to sort something out as a service request we have a formal process in place where we will investigate your comments.

Service Manager Investigation

Your complaint will be sent to the relevant service manager to investigate. You will receive a formal acknowledgement of your complaint within three working days. This will tell you who will be investigating your case, when they will respond to you and how you can contact them.

After they have completed their investigation into your complaint they will write to you to explain their findings.

If you feel that your complaint has not been resolved you can appeal the decision.

Complaint Appeal Panel

If you are unhappy with the conclusion of the manager's investigation you can request that your complaint is passed to the Complaint Appeal Panel. The panel is made up of our staff and Board members who will carry out an independent review into your complaint. You will be invited to attend the panel to discuss your complaint.

Unresolved complaints

If you feel that your complaint has not been resolved after being heard by the appeal panel you can choose to have your complaint reviewed by a designated person. This can be a local councillor, MP or a designated tenant panel.

The designated person will consider the details of your complaint and our response. They do not have the power to make us carry out a particular action, but they may offer a resolution which both you and us would have to agree to.

Alternatively you can contact the Housing Ombudsman. Please note the Housing Ombudsman will only consider your complaint if you have already been through our complaints process and if it has been eight weeks since the date of our final decision.

The Housing Ombudsman can be contacted on:

Tel: 0300 111 3000

Email: info@housing-ombudsman.org.uk

Address: 81 Aldwych, London, WC2B 4HN

Compensation

If we decide that you have suffered a loss or damage due to our failure to provide a service to the appropriate standard, then we may offer you a payment in compensation. Offering compensation will be the final settlement of the complaint. If you choose to accept this offer, then you are agreeing to the outcome of the complaint and the matter will be closed.

For more information please request a copy of our *How to complain and give feedback* leaflet; or see our website, www.merlinhs.co.uk.

In addition to our complaints process you can challenge service charges and other lease-related matters at a Leasehold Valuation Tribunal (LVT). For more information about LVT, please visit www.lease-advice.org, call 020 7383 9800 or email info@lease-advice.org.

Make a difference; get involved

Letting us know what you think helps us improve neighbourhoods and shape our services around what you want. Your opinions also help us make sure we are doing things right the first time.

We always appreciate your involvement, in whichever form it is given and however frequent or infrequent it may be. We offer training to support you in your work with us. We'll also pay expenses such as mileage costs.

Some of the different ways you can get involved are listed here. Previous experience is not necessary. For more information please contact your housing officer.

Leaseholders Forum

We hold regular meetings with the forum to discuss issues and share information.

The forum is an opportunity to:

- have your voice heard;
- shape our services and steer our resources;
- have debates and discussions on our policies;
- define and publicise good practice;
- attend conferences and meetings;
- work on partnership projects like this handbook;
- meet other leaseholders.

To find out more about the Leaseholders Forum please contact our Income Management Team through your area housing office. We publish details of meetings on our website.

Neighbourhood walkabouts

Have your say on how we maintain communal areas and your neighbourhood by joining us and our partners on an neighbourhood walkabout. These are your opportunity to discuss key issues such as grounds maintenance, repairs and household waste. We publish the dates of walks in our area offices and on our website, www.merlinhs.co.uk.

Leasehold Matters

We publish our Leasehold Matters magazine twice a year and send a copy to all leaseholders. If you have any news to be included please contact your housing office.

Postal and telephone surveys

This is one of the simplest and quickest ways to let us know what you think. Surveys are very important to us: they help us gauge opinion and improve our services. Please complete and return any survey we send you.



Your lease

Section 2



Your lease is a contract between you and us. It is an important legal document.

Before you purchased your home your solicitor should have explained it to you in full so you understood both your rights and responsibilities as the leaseholder and our rights and responsibilities as the landlord.

If you have a mortgage your lender may hold the lease. You may ask them for a copy if you don't have one or you can get a copy from us, although there is a charge for this.

Your lease is the defining document. The information in this handbook is general information and you should always refer to your individual lease. If there is any conflicting legal information between this handbook and your lease, your lease will always prevail.

If there is any conflicting information between the law and your lease, as a result of subsequent changes to landlord and tenant law, the law will prevail.

Leaseholders have different leases depending on whether they live in the old Northavon District Council area, the old Kingswood Borough Council area, or our leasehold retirement scheme, Davis Court.

Because these leases vary, we can't be specific about certain clauses, rights and responsibilities as they may be different depending upon your particular lease.

Terms used in the lease

- The 'tenant' or 'lessee' is the owner of the flat;
- The 'landlord' or 'lessor' is Merlin Housing Society;
- The 'service charge' is the proportion of the costs incurred by us for providing communal services such as buildings insurance, cleaning, grounds maintenance and other things specified in the lease for which you must pay;
- 'Financial year' is the period detailed in your lease that refers to when your service charge accounts run from and to;
- The 'building' comprises the whole of the structure in which your home is situated;
- The 'lessor's property' is the land and other buildings we own around the building, which includes garages, gardens, grounds and garage compounds;
- The 'demised premises' is the part of the building which you have purchased – the internal shell of your flat and is more fully described in your lease.

Section 6 of this handbook contains a more complete glossary of terms you are likely to come across in your lease or in other leasehold-related matters.

Your lease may require you to:

- pay a portion of the costs of managing and maintaining your building and fulfilling our obligations under your lease;
- pay the service charge promptly;
- pay any ground rent due under your lease;
- keep your premises in good repair and decoration and in good condition;
- advise us within 21 days if you sell the flat or sub-let it, and meet our costs of registering the sub-letting or sale;
- repay any debt that is owing if you sell the property;
- use your property as a single private home for residential use only unless you first obtain our written consent to do otherwise;
- not carry out certain alterations or improvements to your home without obtaining our consent first. You must also obtain any statutory consent such as planning permission or building regulation approval if that is required;
- observe your obligations specified in the relevant schedules of your lease.

Schedules of your lease

Rights and obligations sometimes appear in schedules to your lease rather than in its main body. Here are some examples of what you might find:

- Keep entrance doors shut;
- Report repairs for which we are responsible through your local housing office;
- Use common parts of the building quietly and avoid nuisance or annoyance to other residents;
- Don't allow any singing or playing of musical instruments, stereo systems, radios, televisions or recording instruments that may cause annoyance or nuisance to other occupiers of the building;
- Don't behave or allow anyone in your home to behave in a manner likely to cause annoyance or inconvenience to your neighbours;
- Don't erect any external aerial, satellite dish or other television or radio-receiving apparatus of the building without our consent;
- Park vehicles only in places designated for parking;
- Allow us to enter your home to inspect its condition, or to carry out works if necessary, by prior appointment and reasonable notice.

If you break the terms of your lease

If you break any of the terms of your lease and do not put this right when it is brought to your attention we will issue a notice requiring you to put it right.

If you fail to comply with a notice in relation to a serious breach we may serve an injunction asking you to remedy that breach.

The ultimate sanction is forfeiture - termination of the lease. This is something we would only consider doing following the most extreme and sustained breaches and would result in your losing your home without compensation.

If we break the terms of the lease

If you feel we have not fulfilled our obligations in respect of your lease please contact your area housing office. If, after that, you still feel we are in breach, you may make a formal complaint or file a case with a First Tier Tribunal.

The First Tier Tribunal (Property Chamber) is part of the Her Majesty's Courts and Tribunals Service. Each Tribunal usually consists of three members: a lawyer, who is often the chairman, a valuer and a lay person. The Tribunal is entirely independent and impartial in its approach. There are five regionally based Tribunal offices covering the London, Northern, Midland, Eastern and Southern regions.

Further information on the powers of the Tribunal and how to apply may be found at <http://www.lease-advice.org>

Anti-social behaviour

Everyone has a right to enjoy their home in peace. Sometimes other people's behaviour can interfere with that right. We call it anti-social behaviour (ASB).

If you experience ASB there are several things you can do including:

- talking to your neighbours about the problem if you feel able. They might well not be aware that they caused a nuisance to you;
- reporting the incident to your neighbourhood housing officer, who will investigate your report;
- agreeing to have mediation with your neighbour. This needs their consent, too;
- if the problem persists, helping us gather evidence that could be used for future legal action against the offenders. For example we might send you an incident diary to complete.

For more information about ASB, see our Tackling anti-social behaviour leaflet, which is available in all area offices. You can also view this leaflet on our website www.merlinhs.co.uk.

Harassment or hate crime

Harassment, often referred to as hate crime, is a particularly nasty form of ASB because it is personally directed towards an individual because of who or what they are, for example because of someone's race, religious belief, age, disability, sexual orientation or marital status. Harassment is a crime.

We take complaints of ASB and harassment seriously and will thoroughly investigate all reports.

Harassment or hate crime can include physical assault, damage to property, graffiti, arson or attempted arson and verbal abuse. We have a clearly defined policy and set of procedures for dealing with both harassment or hate crime, and ASB.

Rubbish

Thoughtless or deliberate dumping of rubbish can really blight the area around where you live and lower the value of your property. Please ensure you keep passageways and stairs clean and free of rubbish. If you see rubbish being dumped – tell us.

If you live in a building with refuse chutes, please do not use them after 11pm or before 7am.

In addition to the regular domestic refuse collection service provided by South Gloucestershire Council there are other ways of disposing of rubbish such as old furniture, carpets, kitchen appliances and other bulky items.

Collection of larger items can be arranged by contacting the council. You may have to pay for this service. Alternatively, you can take your rubbish to one of the Sort it! recycling sites in the area

Communal areas

You may live in a building with communal areas such as hallways, staircases, landings, drying areas, bin stores and garden areas. Please ensure keep these areas clean, tidy and free from obstructions. Do not use these spaces as extensions of your own home and report anything of concern to us immediately.

Sub-letting

You can rent your home to another person if your lease allows. If you do this you remain responsible for all the obligations under your lease even though you may not be living there. This includes paying all charges due.

If you rent out your home you must tell us and advise us of your new contact address. This should be done by writing to Merlin Housing Society, Building 1, Riverside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX.

If you sub-let your home you have responsibilities under the Gas Safety (Installation and Use) Regulations.

You can get a copy of the approved code of practice and guidance from the Health and Safety Executive (HSE) and most bookshops.

For more information, contact the HSE on its freephone Gas Safety Line **0800 300363**.

Selling your home

If you decide to sell your home your lease may permit you to have one “For Sale” sign erected. This may be sited in external common parts of the estate provided no obstruction is caused.

The sign must not be erected on a balcony or other part of the exterior of the building. You are responsible for the sign at all times and will be charged for any damage caused by it. You are also responsible for removing the sign when the property has been sold.

If you have bought your flat under the right to buy or right to acquire and you sell it within five years of purchase, a percentage of the discount you received will need to be paid to back to us.

If you wish to resell within ten years of purchase you must offer your property back to us: we have the right of first refusal.

The new owner must tell us they have taken over the lease within 21 days of the sale.

Running a business from home

Unless your lease specifically says you can run a business from home you must get permission from us to do this. You must also check with the council whether you need planning permission. Your business must not cause a nuisance to your neighbours.

Pets

Please check your lease if you wish to keep a pet and to understand your rights and responsibilities around keeping pets.

If your lease allows you or if we have given you permission to keep a pet you must make sure it is kept under control and doesn't annoy your neighbours.

If your pet does cause a nuisance, we will ask you to control its behaviour. Not doing so could be a breach of your lease.

Car parking, garages and car repairs

Your lease may contain specific details relating to parking; but in general please ensure you park with consideration for others, including the disabled.

We have a number of garages available for rent.

If you would like to rent a garage please contact your housing office. There may be a waiting list for garages and parking sites in your preferred area.

Please do not carry out major car repairs on estate roads, garage areas or outside your home. You may carry out minor repairs such as changing plugs or replacing tyres. Any oil spills must be cleared up and surfaces made safe immediately.

Buying your freehold – enfranchisement

You have the right to purchase the freehold of the block in which you live in partnership with other leaseholders living there.

The procedures for buying your freehold are complex and can be costly. We can advise you and give you information on how to do this before you incur any costs.

The government has produced an advisory booklet, Residential long leaseholders – a guide to your rights and responsibilities, which includes information about your right to buy the freehold of your building. Please contact us for more information.

You can also download the document or buy the booklet from the Government's communities website, www.communities.gov.uk.

Your lease

How to extend your lease

As a leaseholder you have the right to extend your lease.

The Housing Urban Development and Leasehold Reform Act 1993 (as amended) gives you the right to purchase a new lease for a term of 90 years, plus the present unexpired term, all at a peppercorn rent (that is, ground rent free). This is subject to some conditions. The main conditions are that you:

- are a qualifying leaseholder
- have a long lease on the property; this is a lease that was for at least 21 years when it was taken out
- have owned it for the past two years.

If you would like more details about this formal procedure, please contact the Commercial Services Team (see Section 5 for contact details). You can also ask the Leasehold Advisory Service for more information, You can contact the service at:

Leasehold Advisory Service

Maple House, 149 Tottenham Court Road, London W1T 7BN
Telephone: **020 7383 9800**

Or visit their website for further information:

www.lease-advice.org.uk

Your lease

Extending your lease through our discretionary process

Apart from the statutory procedure, we also have a voluntary process where you can extend your lease. The voluntary process means we are willing, in principle, to extend the lease of your property, even if you have not owned it for two years, and without requiring you to go through the relatively lengthy statutory process.

Unless you ask us for different terms, our policy is to grant lease extensions on the same terms as you would be entitled to under the 1993 Act. This means that we would extend the current term of your lease by 90 years. Again this would be at a peppercorn rent (that is rent, free). As with the statutory process the terms may also include minor modifications and certain statutory exclusions and additions.

This would of course, be subject to price and terms being agreed, and, as with the statutory procedure, our valuation fees and legal fees being met by you.

We will instruct our valuers as soon as we receive the completed enquiry form and payment (see below).

We will write to you, setting out the terms of your extended lease once we receive the valuation. You should seek independent advice on the price and terms, and you will need a solicitor to complete the legal work for you.

Your lease

If you are interested in extending your lease through this voluntary process, please complete the enquiry form at the end of this section and return it, together with payment of the valuation fee. The fee depends on the length of your current lease terms.

The fee is

- **£600** plus VAT (a total of **£720**) if you have less than 80 years left on your existing lease
- **£550** plus VAT (a total of **£660**) if you have more than 80 years left on your existing lease

Your cheque should be made payable to Merlin Housing Society.

Terms of your new lease

You should be aware of the legal requirements for the terms on which the new lease may be granted. These are:

- To be at a peppercorn rent (ie no rent) for the whole of the term (the 90 years plus the present unexpired term)
- To be on the same terms as the existing lease, subject to minor modifications and certain legal exclusions and additions:
 - i) modifications - to take account of any alterations to the flat, or the building, since the grant of the existing lease (eg reference to gas lighting or coal stores), or to remedy a defect in the lease
 - ii) exclusions - since the 1993 Act provides a right to perpetual renewal of the lease, any existing clauses relating to renewal, pre-emptions or early termination are to be excluded

Your lease

- iii) additions - a requirement not to grant a sub-lease of sufficient length so as to confer on the sub-lessee a right to a new lease under the Act.
- The landlord's redevelopment right - the new lease must also contain a clause giving the landlord the right to repossess the flat for redevelopment purposes. This right does not arise until the end of the period of the existing lease and is subject to a court application and the payment of full compensation to the leaseholder for the full value of the remaining 90 years. This will not cause any difficulties in mortgaging the flat.

NOTE:

This information is not meant to describe or give a full interpretation of the law; only the courts can do that. Nor does it cover every case. If you are in any doubt about your rights and duties then seek specific advice. Buying a lease extension is a bit like buying a property from the beginning, so both you and us will need to employ solicitors to make sure the documentation is in the correct form, especially if you have a mortgage on the property.

Lease Extension Enquiry

Subject to Contract

Property address:

	Postcode:
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Name of lessee

Address of lessee *(if different to property address)* :

	Postcode:
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Contact telephone numbers *(These will be given to our valuer to arrange an appointment to visit the property)*

Home:

Mobile:

I am interested in extending the lease of the above property, and enclose payment of the valuation fee plus VAT. Cheques should be made payable to Merlin Housing Society.

	Signature	Print name	Date
Signed:			
Signed:			

Repairs

Section 3



General principles

Repairs and improvements to your building are split between day-to-day maintenance, works of major repair such as roof replacement and cyclical works like decorating the outside of the building.

This section identifies who is responsible for carrying out certain types of repairs, when repairs will be seen to and how to go about requesting a repair that is our responsibility.

Put simply, you are responsible for repairs to the inside of your flat and we are responsible for the structure of the building and its common parts.

Although we may be responsible for certain repairs to the exterior and to communal parts, leaseholders will normally be required to pay a contribution to the cost of the repair. The contribution you will be liable for will be determined by your lease.

If you, or someone you have employed, are carrying out repairs to your home, you must make sure these are done competently, to a reasonable standard and that shared services and the structure of the block are not damaged. You will be liable for any damage caused to our property and you will have to pay to put that right.

This table lists common repairs that may be carried out in and around your building and whose responsibility it is to carry out that repair. Even where Merlin is responsible for a repair, leaseholders will be required to contribute to the cost of the repair. This is for guidance only. Please refer to your lease for details of your own position.

Type of repair	Who's responsible?	
	Us	You
Internal decoration to your property		✓
Any wall, fence, hedge or gate within the boundary of the individual property		✓
Pathways, driveways or steps which may be in the garden		✓
Decoration of communal areas and any making-good of any defect affecting the structure	✓	
Sewers, drains, channels, watercourses ducts, gas or water electric cables and wires and supply lines serving the building and situated under or on the building.	✓	
Upkeep of any land gardens, walls, hedges, fences and gates including cutting of grass and repairing, resurfacing any forecourts (this might include communal drying areas as well).	✓	

Type of repair	Who's responsible?	
	Us	You
The structure and the exterior of the property, including roof ceilings, external floor joists, party walls (but not partition walls within the premises), window frames in the external walls and the frames of those doors for the premises.	✓	
Repair or replacement bathroom or kitchen, taps, units, WC, sink		✓
Repair staircase within property		✓
Repair staircase in communal area	✓	
Renewal, repair or replacement of fuses, consumer unit, rewiring, door bells		✓
Boilers and gas appliances within your property, including arranging annual safety checks		✓
Communal boiler or gas appliances	✓	

We will publish with your service charge statement a schedule of any repairs we have carried out. Please see the next section for further details.

Repair appointments

As a leaseholder you must pay for any works carried out to the building and any external areas of your flat including paths, boundaries and other communal areas. You will be billed for your proportion of the costs as part of your service charge.

If a repair will cost you more than £250, we have to consult you in a very specific way. This is explained in more detail later in this section.

You can report a repair of communal or external areas by calling us on **0300 123 2222**. If we need to come into your home to carry out work, we will arrange a convenient time to do this with you. Repairs will happen within our opening hours.

All our employees and contractors will carry identification. Please make sure you see this before letting anyone into your home. If you are unsure who someone is, do not let them into your home. Ask to see their identification badge or card; close the door and call **0300 123 2222** to get their details verified.

We deal with emergency repairs as soon as we can. This may consist of a temporary fix to make something safe in the short term until a more permanent repair can happen. An example of an emergency repair is if there is faulty emergency lighting or broken glazing in communal areas.

Ordering a personal repair

Although we hope in the future to be able to offer you some ability to order repairs through Merlin Works that are your responsibility to pay for under your lease, we are unable to do this at the moment.

Carrying out improvements inside your home

Please check your lease for specific details on carrying out improvements inside your home.

As a general rule, you do not need our permission to do any alterations or improvements in your home unless they involve structural work, for example, if you wanted to knock down an internal load-bearing wall.

You will also need permission for any plumbing and electrical works that are not exclusively your side of your own meter or mains stop tap. If you are in any doubt, please contact us.

If you simply want to put a new bathroom or kitchen in your home and it doesn't involve structural work, you do not have to inform us, consult us or seek our permission.

Your window frames are our responsibility to maintain and you must not change them. You can however, replace the glass.

Consultation

If we intend to carry out work to your building, provide a service, or enter a contract for services for which you will be billed, the law says we must consult you and take your views into account.

If the works including VAT will cost more than £250 per affected leaseholder, or a service contract lasting more than a year will cost each leaseholder more than £100 each year inclusive of VAT, then we have to consult you in a very precise way.

The regulations for this are set out in section 20 of the Landlord and Tenant Act 1985, as amended by the Commonhold and Leasehold Reform Act 2002. These consultations are often referred to as “section 20 consultations”.

The process involves at least two stages of consultation and gives you the opportunity not only to comment upon our proposals and the quotes we receive but also, in many instances, nominate to us your own contractor.

Section 20 consultation can be required not only for what are called “qualifying works” but also for service contracts that last for more than a year. These are called “qualifying long-term agreements.”

Our improvements

We may only carry out improvements to your building, and charge you for your proportion of their cost, if they are allowed under your lease. If they are not allowed, we need your agreement to carry out improvements if we wish to charge you for your proportion of their cost.

Leaseholder's expenses

Section 4



Service charges

According to your lease you must pay your share of the cost of upkeep to the common parts of the building, communal Electricity and any charges for service that are not borne wholly by us. This is your service charge.

In addition to this you may be required to pay ground rent for your flat. This and the annual amount will be specified in your lease.

Service charge legislation

There are two areas of the law that govern service charges. The first is your lease, which details your liability for service charges and when payments have to be made and which is governed by the law of contract.

The second is landlord and tenant legislation, created by acts of Parliament. At the present time, sections 18 to 24 of the Landlord and Tenant Act 1985, as amended by the Commonhold and Leasehold Reform Act 2002, provide the most important provisions relating to service charges.

The sections detail what a service charge is, how you must be consulted about service charges and your right as a leaseholder to query any charges made by us. There are, however, a number of landlord and tenant acts, each with its own particular provisions. If you want more detailed information and advice on your rights and obligations under landlord and tenant legislation we would advise you to consult a solicitor.

How service charges are calculated

Each year we will send you an actual service charge statement which shows the costs of the services over the last 12 months, and an estimated statement which provides an estimate of service charge costs for the next 12 month period.

We then compare what we charged you during the last 12 months with the actual costs. Any deficit (the service costs were more than our charge) or surplus (our costs were less than our charges) is then carried over and added to or deducted from your estimated statement for the next year's charges.

We will then send you an invoice based on that estimate and notice of when those new charges will begin, usually 1 April. You should then pay the invoice as required under the terms of your lease. This is usually on demand, meaning you will have 28 days in which to pay the bill.

However, if you pay by direct debit you may spread your payments over 12 equal monthly payments. Please see payment methods later in this section. If you fail to pay your service charge demand within 28 days or agree to pay by Direct Debit, your account will fall into arrears and will be managed by our Income Management Team.

What your service charge might include

The following items will usually be included:

- Buildings insurance;
- Management and administration;
- Ground rent (Davis Court leasehold bungalows excepted).

Then there are items that may be included dependent upon where you live:

- Grounds maintenance;
- Communal cleaning;
- Communal lighting and bulb replacement;
- Door entry system maintenance and key fob monitoring;
- Communal [external] window cleaning;
- Communal TV aerial maintenance;
- Contributions to contingency and sinking funds.

Some service charge items in more detail

Grounds maintenance, communal cleaning and window cleaning

If you pay for any of these items in your service charge, the frequency and extent of the service will be specified under the contract.

We will consult you and include a copy of the proposed specification for your comments when we need to renew or take out a contract.

Buildings insurance

The building you live in is owned by us; and we are responsible for insuring it. Buildings insurance only covers the structure and common parts of the building, not the contents of your home such as your furniture and other personal possessions.

The following risks are covered:

- Fire, smoke, explosion, lightning or earthquake;
- Storm or flood;
- Escape of water or oil from fixed systems;
- Riot and civil commotion;
- Malicious damage;
- Theft or attempted theft of communal items only;
- Subsidence, heave or landslip;
- Impact;
- Fallen trees or aerials;
- Accidental damage;
- Terrorism;
- Property owner's liability.

The following are not covered:

- Loss or damage caused by anything that happens gradually, such as corrosion, rust, wet or dry rot as well as normal wear and tear;

- Loss or damage caused by pets, insects or vermin;
- The cost of correcting faulty workmanship or design and the cost of replacing faulty materials;
- Pressure waves caused by aircraft or other flying objects travelling at or above the speed of sound;
- Radioactive contamination;
- War, invasion, act of foreign enemy hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power;
- Damage caused by the deliberate act of the leaseholder.

If you would like a full copy of our buildings insurance policy and schedule of cover please contact your housing office.

If something happens that could be the subject of a buildings insurance claim you must contact us as soon as possible.

All claims must be made in writing to our Insurance and Risk Advisor at Merlin Housing Society, Building 1, Riverside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX.

It is also advisable to call us on **0300 123 2222** to speak to the Insurance and Risk Advisor and give us the details of your claim.

Work should not begin until your claim has been assessed and approved as this may affect its eventual settlement.

Ground rent

If you own a flat or maisonette, your ground rent is payable as a single annual instalment. It is currently included in your service charge bill for the year.

Contingency and sinking funds

Your service charges may include an element that is set aside to build up a fund for day-to-day repairs that will occur during a relatively short time period. This may go under various names such as the “property reserve fund”. Examples of this are routine repairs such as replacing fence panels or roof tiles.

You might also live in a scheme where something called a sinking fund exists. A sinking fund is a bit like a property reserve fund but exists to pay for major replacements and repairs that will occur well into the future.

An example of the sort of things that would be paid for by a sinking fund is roof replacement.

Sinking funds are often created and paid into not from service charge payments but when a leaseholder sells their home and pays a percentage of the sale price into the sinking fund according to how long they have lived there.

Other charges

You may sometimes see other items on your annual service charge statement that are not strictly service charges. Examples of these are day-to-day communal or external repairs, major repairs or communal or external redecorations.

You must pay your share of the costs of any major repairs (and any improvements, if allowed under your lease) that benefit you or your building. This includes any structural repairs to the building, unless this is excluded by the lease.

If your lease was granted under the right to buy these charges may be limited for a five year period to an estimate set out in what is called a Section 125 notice. This is the valuation notice you will receive informing you of the value of the property if you are purchasing from us under the right to buy or right to acquire. This would have been sent to the person who was initially granted the lease of the property.

During the course of the year we may also charge and invoice you for separate items that are not part of your service charge rather than include them as part of your service charge statement. An example of this would be a replacement key fob or any work completed or service provided that is a one-off and therefore not contained within your annual statement, such as a roof repair.

Payment methods

Direct debit

Paying by direct debit is by far the easiest and most convenient way to pay your service charges.

You can request a direct debit mandate form from us.

Paying by direct debit means you don't have to worry when your charge is reviewed every year and you can also pay your charges in instalments throughout the year.

Standing order

Paying by standing order means that you will have to notify your bank to alter your payments when charges are reviewed every year. You don't need to do this if you pay by direct debit. Our bank details are as follows:

Bank: Lloyds TSB

Sort code: 30-12-04

Account no: 01705673

Please quote your 15 digit reference number, which you can find on your service charge statement.

Cheque

Please make cheques payable to Merlin Housing Society and write your 15 digit reference number on the reverse. Post your cheque to the Commercial Services Team, Merlin Housing Society, Building 1, Riverside Court, Bowling Hill, Chipping Sodbury, Bristol, BS37 6JX

Debit card

You can pay by debit card on our website at www.merlinhs.co.uk, or over the phone by calling **0845 111 0664** – you'll need your 15-digit reference number

If you can't pay your service charge

If you are unable to pay your monthly charges or other charges, please contact us on **0300 123 2222** as soon as possible. They will be able to discuss your financial situation and your options.

If your arrears continue to grow and you have a mortgage, then we will advise your mortgage lender of the position.

If you do not have a mortgage, or the lender does not clear the arrears we will advise you by formal notice that we intend to apply to the county court for a judgment for the debt owed. It is important to understand that any county court judgment will have an adverse effect on your credit rating and so will affect your ability to get credit in the future.

Miscellaneous charges

We may charge fees to solicitors, leaseholders and other agents for certain documents and services that are not part of our normal management and administration charges. We review our charges annually.

Mortgage repayments

If you borrowed money to buy your home you will make repayments to your lender, normally on a monthly basis. The amount you pay will be based on the amount you borrowed, the interest rate and the number of years it will take to repay the loan. You may also have a life assurance policy or other mortgage protection policy. You should budget to meet the costs of these premiums.

Water and sewerage rates

Wessex Water is responsible for water disposal [sewerage] and Bristol Water supplies domestic water to almost all properties. The other water supplier is Severn Trent. Leaseholders who are customers of both Bristol Water and Wessex Water will only receive one bill for water and sewerage services and need only call one number for billing enquiries

Payment by monthly direct debit is available. You should contact any of the suppliers if you would like to pay by this method.

Bristol Water **0845 600 3 600**

Wessex Water **0845 600 3 600**

Severn Trent **08457 500 500**

Council tax

Council tax is a contribution towards the cost of local services and is payable on most domestic properties. The charge varies according to the property's market value. There will be only one charge for council tax per household. If you live in the property on your own you could be entitled to a reduction.

Contents insurance

We strongly recommended you take out contents insurance to cover damage to or theft of your possessions. Contents insurance also covers internal decorations

Contact information

Section 5



We have three area housing offices. See the map below to find out which office you should contact.

Merlin
www.merlinhs.co.uk



Yate housing office

Building 1
Riverside Court
Bowling Hill
Chipping Sodbury
Bristol BS37 6JX
0300 123 2222

Patchway housing office

3-7 The Parade
Patchway
Bristol BS34 5LP
01454 821500
patchway@merlinhs.co.uk

Kingswood housing office

Romsdale House
95 High Street
Kingswood
Bristol BS15 4FP
01454 821300
kingswood@merlinhs.co.uk

Service charge enquiries

Contact your area housing office and ask to be put through to the Income Management team, or email incomemanagement@merlinhs.co.uk

Communal repairs

You can report repairs 24 hours a day by calling us on **0300 123 2222**.

Glossary of leasehold terms Section 6



Assignment

This is the term used when you sell your flat and the person to whom you sell it acquires your actual lease and the remaining term of it.

Block/Scheme

The building in which your property is situated; the development of which your block is a part.

Common parts

The parts of the block or scheme that all the residents can use, such as stairs, lifts, paths and communal gardens.

Consultation

This is the process of asking for residents' views and opinions. "Consultation" implies that the person being consulted is able to have influence in some way over the matter being consulted about.

Contingencies

Insured risks or dangers that are covered under our block insurance policy.

Covenant

This is a promise to take responsibility for something. It can be a responsibility to do something; or it can be a responsibility not to do something.

Cyclical maintenance

Work usually carried out according to a programme. External/internal common parts re-decoration is the most common example.

Curtilage

That part of the block included in the lease. This will include the flat, the common parts, any garage area and the landscaped area which forms part of your block. The lease will include a plan showing the curtilage. It will show which parts of the building are the leaseholder's and which parts the leaseholder shares with other residents. It defines the boundary within which a home owner can have a reasonable expectation of privacy and where 'intimate home activities' take place. It is an important legal concept in some jurisdictions for the understanding of burglary, trespass, and in relation to planning controls.

Demise

Transfer of real estate by a lease or will.

Enfranchisement

This is the process where leaseholders may be able to buy the freehold of their block.

First Tier Tribunal (Property Chambers)

This is the body that makes decisions about service charge disputes between landlords and leaseholders. It is made up of a panel of people with experience of property disputes such as solicitors and surveyors.

Fixtures & fittings

There is no legal definition of what constitutes fixtures and what constitutes fittings, however, it is generally considered that fixtures are items that are secured or bolted to the walls or floor and fittings are free standing items. Here is a list of some common fixtures and fittings:

Fixtures

- Light fixtures
- Central heating systems (inc. radiators)
- Kitchen units
- Bathroom suites
- Built in wardrobes
- Plugs and sockets

Fittings

- Paintings, pictures and mirrors (hung to wall)
- Curtains and rails
- Free standing kitchen appliances (i.e fridge)
- Other free standing furniture (i.e. sofa)
- TV aerials & satellite dishes
- Carpets & lampshades

There is a general assumption that, unless otherwise specifically stated, fixtures will remain in the property and fittings will be taken by the vendor.

Forfeiture

This is the process of terminating a lease. If significant and serious breaches of the lease occur, the landlord / freeholder / lessor may take forfeiture action, resulting in lawful repossession of the property. It also means that the landlord can dispose of the property with vacant possession. Only a court or a leasehold valuation tribunal can grant forfeiture.

Freehold / Freeholder

This is the absolute ownership and absolute owner of the property, block or scheme

Ground rent

This is the rent paid to the landlord during the term of the lease. It is usually a small annual fixed sum.

Head lease/Sub lease

Sometimes a landlord may not be a freeholder but might be a leaseholder as well. In such cases they are called the head leaseholder; and the lessee will be the sub leaseholder.

Improvement(s)

This is doing more work to a property than is required in order to fulfil an obligation to repair.

Landlord

This is the person or organisation that owns the freehold or head lease of a property.

Lease

A lease is a contract that explains the lessor's and lessee's rights and responsibilities.

Leasehold

This is an ownership of a property in a block or scheme that comprises other flats/properties and is subject to a payment of service charges and ground rent for a set period.

Leaseholder/Tenant

This is the person who has been granted the lease by the landlord and is, legally, known as the tenant.

Lessee

This is the same as the leaseholder.

Lessor

This is the same as the landlord.

Mortgagee

This is a bank or building society that has lent a leaseholder money so they can buy a property.

Mortgagor

This is the person to whom a bank or building society has lent money in order to buy a property.

Premises

A real estate term for land and the improvements on it, including a building, store, apartment, or other designated structure.

Reversion

This is the number of years a lease has left to run of its original term

Section 20 notice

This is part of a statutory consultation process a landlord has to undertake when they are intending to do works or enter into a long-term contract and wish to recover the cost of that from leaseholders. It only is required if the cost to each leaseholder is over a certain amount.

Section 20B notice

If a landlord cannot confirm the actual proportion of a leaseholder's liability to pay costs within 18 months of the works being completed, a "section 20B notice" has to be served if the cost is to be recoverable from the leaseholder(s).

Section 125 notice

This is an offer notice provided when a lease is first sold under the preserved right to buy scheme. The "Section 125 notice" is one of the most important documents a would-be leaseholder will receive. It will set out the value of the property, the purchase price after discount, any terms and conditions relating to the purchase of the property and structural defects noted by the valuer.

Service charge

This is a payment made by a leaseholder to a freeholder in return for services provided to the block or common parts of the scheme.

Sub-letting

This is where a leaseholder rents out their property to someone else as their tenant. The leaseholder is still responsible for observing all the terms of their lease even though they might not be actually living there.

Surrender

This is the term used when you sell your flat; and the person to whom you sell it acquires a completely new lease with a new term because you actually surrender your own lease and the remaining term of it back to the freeholder.

Tender

When major works or contracts are going to be entered into, a tender is a way of obtaining prices – quotations – based upon a detailed specification of the works or contract terms. The contractor then tenders its price for doing the work.

Term

This is the time period over which the lease is granted. Terms vary but are often of 99, 125 or even 999 years. Once the term has expired, the lease reverts back to the freeholder or head leaseholder.

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