



TWO CASTLES
HOUSING ASSOCIATION

If you require more information please contact
the Housing Officer for your area

North West Region

3 Castle Street Carlisle
Cumbria CA3 8SY
Tel: (01228) 547463
Fax: (01228) 597822

Catherine Mill Catherine Street
Whitehaven Cumbria CA28 7QT
Tel: (01946) 591848
Fax (01946) 591880

3 Angel Yard 21-23 Highgate
Kendal Cumbria LA9 4DA
Tel: (01539) 733319
Fax: (01539) 730175

North East Region

154 New Bridge Street
Newcastle upon Tyne NE1 2TE
Tel: (0191) 2614774
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Pele Housing Association is a charitable subsidiary of
Two Castles Housing Association

leaseholder's handbook



TWO CASTLES
HOUSING ASSOCIATION

Opening more doors for more people

leaseholder's handbook

Welcome

Welcome to your Leaseholder's Handbook which we hope you will find interesting and of practical assistance.

Two Castles Housing Association has a number of Home Ownership Schemes, and this Handbook will be given to all purchasers.

We are happy to receive comments from you on any improvements or omissions you would wish us to consider in future.

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Useful Information about your Scheme

Upon request we can provide you with individual information about your scheme. In providing the following we have consulted with Resident Managers, Residents, family members, and visitors to the scheme. We are happy to receive further suggestions for any information which you would find useful and could be included in this leaflet for the benefit of all Residents in this scheme.

Information we can provide to you includes:-

- Your Resident Managers's name if appropriate
- Name and type of alarm call system with telephone number and name of your contact person
- Your Housing Officer's name
- Coffee mornings, bingo etc. held at scheme, if appropriate
- Use of guest room etc., if appropriate
- Local buses, nearest post office, chemist etc.

leaseholder's handbook

Disclaimer – Please note that this Leaseholder's Handbook is not an authoritative view of the Lease or the Law.

What is a Housing Association?

Housing Associations aim to provide housing for those in need. Most Housing Associations are registered with the Housing Corporation, as Two Castles Housing Association Limited is. This means they are independent, non-profit making organisations and have met the standards set by the Housing Corporation.

What is the Housing Corporation?

The Housing Corporation is a national organisation set up by the Government to provide public grants and loans to Housing Associations to build new homes and improve existing ones. The Housing Corporation also acts as a watchdog to make sure Housing Associations are run efficiently. From time to time Housing Corporation staff visit Associations to make sure that their policies and practices remain fair and efficient. In addition it provides a guidance document to Housing Association's residents.

Where does Two Castles Housing Association fit in?

Two Castles Housing Association Limited is a non-profit making body registered under the Industrial and Provident Societies Act 1965, registered with the Housing Corporation and affiliated to the National Federation of Housing Associations. The Association was formed in 1966 as Cumbria Housing Society but it was not until 1974 that the first homes were built and let. Expansion into the North East led the Society to change its name to Two Castles Housing Association in 1977 - the two castles being those of Carlisle and Newcastle at either end of Hadrian's Wall. To date the Association has built and manages over 3,200 homes throughout the North West and the North East.

The area of operation stretches from Berwick to North Yorkshire and from Carlisle to Fleetwood. Properties range from rented homes for the elderly, for single people and families to shared equity starter homes and Leasehold Schemes for the Elderly.

Who runs Two Castles Housing Association?

Policy is determined by our Board which is composed of voluntary members interested in improving housing choice and provision. The members of the Board are entirely voluntary and are unpaid.

We are divided into two regions and the Board delegates much of its authority to two Regional Committees which implement policy at a local level. These Regional Committees meet monthly and the Board meets quarterly.

What about the day to day work of Two Castles Housing Association?

The day to day management of our properties is the responsibility of our paid staff. Your Housing Officer is the person to get in touch with if you wish to discuss any matter. In the first instance please contact the Housing Officer at our nearest office:

Carlisle: 01228 547463

Newcastle: 0191 261 4774

Kendal: 01539 733319

Whitehaven: 01946 591848

Repairs

Your Lease clearly and specifically states the repairs for which you are responsible. If you are unsure as to whether or not a repair should be carried out by Two Castles, please do not hesitate to ring your Housing Officer. Very generally works for which you are responsible are those which occur inside the property. You have the right to be consulted before major repair works of £1,000 or £50 per dwelling, whichever is the greater, are carried out. At least two estimates are obtained for major works, and your Housing Officer will seek your views on the quotes.

Where a Residents' Association exists, specifications of intended work will be forwarded to the secretary for consultation with the Residents' Association. We have the ultimate right to choose the Contractor who carries out the work to your scheme. If you feel that the Association has failed to carry out its obligations with regard to repairs, please contact us as soon as possible. Ultimately, you have the right to enforce the terms of your Lease through the County Court, although obviously it is in our interests to ensure that your estate is maintained to a high standard, and we would hope that such action would never be necessary.

Insurances

We arrange the buildings insurance for your home as part of the Service Charge on behalf of residents. You must arrange your own house contents insurance.

The costs must be reasonable as with any other Service Charge. All of our properties are insured under one blanket policy, as a result of which the premiums paid are competitive. You have the right to ask for and receive a copy or summary of the policy stating clearly the amount insured and the name of the insurers.

It is normal for solicitors to request such information prior to the completion of purchases. You do have the right to inspect the policy and receipts indicating proof of payment, although should you require copies a charge may be made. If you have any query with regard to insurance, what it covers and how to claim, please contact your Housing Officer who will be happy to clarify matters for you.

Service charges

We manage your housing scheme on behalf of the individual Leaseholders. The cost of providing this service is met by a Service Charge paid by each Leaseholder, usually monthly. This charge covers all the services the Lease requires us to provide to your property and any common areas your scheme has as well as our administration costs. Before completing the purchase of your Leasehold property your solicitor should have gone through the areas covered in the Service Charge with you and explained each item listed. This is very important as your Lease clearly stipulates those areas for which you may incur Service Charge costs. Your Lease also indicates whether you should pay your Service Charge annually, quarterly, or monthly.

How do we calculate your Service Charge?

Just before the beginning of each financial year we prepare a budget forecasting the expected costs of providing services to your scheme and a provisional Service Charge is drawn up based upon this. Then at the end of the financial year when the actual costs are known, and the accounts are audited, an adjustment will be made to correct any overspend or underspend.

This will then be reflected in the following year's estimated charge as either a credit or a debit. When the accounts are audited you will be given a copy and you will be able to see the actual money spent on each element of the Service Charge and compare it with what we projected we would spend.

It all sounds very complicated, will someone explain it to me?

Your Housing Officer will arrange an open consultation meeting with residents once we receive the audited accounts. We will write to you and let you know the time and venue for the meeting (usually held in the scheme's communal lounge or somewhere close by). The purpose of the meeting is to explain any variations in expenditure and to answer any questions you may have on any aspect of the Service Charge. Where you are unable, or do not wish to participate in an open meeting, your Housing Officer can arrange to see you at home. Whilst we are happy to answer any questions at an open meeting, it is always helpful, where a detailed answer is required, to have prior notification of the question.

This enables us to bring any accounts or other relevant information with us to the meeting so that we can answer the question fully.

How do I know the Service Charge is reasonable?

The Law defines Service Charges and controls the way in which they are raised and how they must be used. Service Charges need only be paid if they are reasonable and only if the works or services provided are of a reasonable standard. If you wish to question or challenge the charges, you have the right to obtain details of costs or services and charges and to inspect and take copies of accounts and receipts, although a reasonable charge may be made for the provision of this information.

You have the right to demand a summary of costs provided in the past financial year and the summary of costs should be clearly presented and show how the costs are reflected in the Service Charge. It should also show the total amount of money received from you on account, and also any deficits and surpluses. It should be signed by a qualified Accountant, who is not a partner or employee of Two Castles.

If you require further details other than the summary then you can ask to see all invoices, receipts and documents. Again we have the right to make a reasonable charge for this. With regard to the standard of services provided, we have clear specifications and expectations for work which is carried out at the scheme, e.g. you can request a copy of the gardening specification. We will not make any payments unless the bill is accompanied by a satisfaction slip signed by a resident.

Please contact your Housing Officer if you are unhappy about any of the services provided at your scheme. He or she will be happy to look into matters for you.

How do I pay my Service Charge?

Your Lease clearly states how frequently your Service Charge should be paid. However, in order to help you with budgeting, we are happy to accept monthly payment of the Service Charge. The following methods of payment are acceptable:-

- Standing Order
- Paying in Book via Barclays Bank
- Cash or cheque directly to the Association's offices (Monday to Friday 8.45 am to 5 pm)
(DO NOT SEND CASH IN THE POST)

arrears with your Service Charge?

We have a policy which says how we will pursue arrears. Your Lease stipulates the frequency and due dates for payment of the Service Charge. However, we will allow you to pay monthly in advance to assist you with budgeting. If you think you will have difficulty in paying the Service Charge you should contact your Housing Officer straight away.

If you do not contact us, we will send you a letter after your first payment falls due. You must contact your Housing Officer if there is an error, e.g. bank not paid your standing order, otherwise payment of the outstanding balance will be expected to be paid in full.

If you do not reply to our first letter then we will write to you stating our intention to take further action. Your Housing Officer will contact you to discuss the problem, to allow you to make an agreement to clear the debt.

Our letter will state the action open to us to recover the outstanding arrears. The Lease will

stipulate those actions we can take. Initially, however, your Housing Officer may contact the mortgage lender (if appropriate) to notify them of your situation.

Where there is no mortgage e.g. cash buyer, then we will tell you the matter may be referred to our Solicitors in 7 days to commence proceedings unless payment is made in full, or a satisfactory agreement is made and adhered to.

If you do not clear your arrears within this 7 day period, or an agreement is breached, then the Housing Officer sends details of the case to our Solicitors or debt-collecting agency instructing them to send a 14 day letter warning of the further action to be taken under the terms of the Lease for recovery of the debt.

We will also take a decision, depending on the circumstances of the case, to decide what form of Court action should be taken.

The options available to us include money judgement, with enforcement by attachment of earnings or forfeiture. Forfeiture is a legal term for the end of your Lease where you have

broken the Lease in some way. It means you could lose your home.

Ultimately, we have the right of pursuing forfeiture, however we may not wish to pursue that immediately although if we do, we must go to Court. The first step may be the pursuit of a money order. Any costs we incur where we have to take action to recover arrears will be charged back to you.

Where is the money received from residents held?

The Association has set up trust fund for the protection of leaseholders funds. This is the most cost effective method of protecting residents contributions to sinking funds in the light of recently published guidance.

Please ask your Housing Officer for details of this.

Consultation

Two Castles Housing Association is happy to recognise Residents' Associations. You and your fellow residents have the right to form a Residents' Association. If it wishes to be recognised or accepted by us and consulted on matters such as expenditure on major repairs, it must apply to us.

We currently have established Residents' Associations who meet regularly, and these prove to be very constructive helping to make valid points and ultimately assisting in the smooth running of the development.

It is our aim to ensure that everyone's best interests are served and consultation is seen as a necessary step in this process. Any Residents' Association would be expected to represent over 50% of Leaseholders before it could be formally accepted by us. This is to ensure fairness to all residents.

Even if a Residents' Association exists you can still raise points with us yourself. A Residents' Association is an aid to communication and not a substitute for it.

Useful Telephone Numbers

North West Regional Office: 01228 547463

Kendal Area Office: 01539 733319

Whitehaven Area Office: 01946 591848

North East Regional Office: 0191 261 4774

