

BHCC Response:

Thank you for your petition. The council understands the implications to leaseholders when high cost major works are proposed. We do not undertake these lightly, but we have legal obligations to keep our buildings in repair.

To help leaseholders who have difficulty with payment, we offer a number of options we believe are helpful to resident leaseholders.

The petition asks the council to review the contracts and contractual relationship it has with leaseholders. Each leaseholder has a contract with the council through their lease. The leases are agreed by both parties on purchase of the property and we are confident that we are acting in line with our obligations under those leases. We do take into consideration the financial impact on leaseholders before authorising work whilst ensuring our properties are maintained.

With regard to high cost major works such as cladding, roof and window replacement carried out at some properties, leaseholders are protected in law that:

- The costs have been reasonably incurred
- The works are carried out to a reasonable standard
- The consultation regulations are complied with
- The lease allows the costs to be passed on in the service charge

The council has a 3-stage Leaseholders Disputes Procedure in order to try to resolve matters between the two parties in the first instance.

In addition, leaseholders have the legal right to seek a determination at the First-tier tribunal if they believe any of these protections apply to particular service charge costs that have been demanded.

In relation to the request that experts independent of the council are instructed, we would very much recommend that it is in the interests of any leaseholders who challenge service charges to take their own legal and professional structural surveying advice in order to evidence their case. This is a matter for leaseholders themselves, as the council already takes its own legal and structural surveying advice in managing our buildings, and is confident that we are managing our buildings, our tenancies and leases properly and in line with our various obligations.

The council's Internal Audit team provides independent, objective assurance of the Council's risk management, internal controls and governance processes. Each year, the internal audit team designs and delivers a programme of work focused on the key risks for the council. In 2015 Internal Audit assessed the leasehold service charge administration as giving substantial assurance. Internal Audit concluded that::

- There are effective controls in place to ensure service charges are accurately and promptly processed.
- There is compliance with major works legislation in relation to consulting leaseholders.

- There are appropriate procedure notes to enable staff to undertake their tasks in a consistent manner and there are also adequate guidance notes available to leaseholders.