

# Public Document Pack

## **THE LONDON BOROUGH OF CAMDEN**

At a meeting of the **LEASEHOLDERS FORUM** held on **TUESDAY, 26TH JUNE, 2012** at 6.30 pm in the Committee Room 1, Town Hall, Judd Street, London WC1H 9JE

### **LEASEHOLDERS PRESENT**

Peter Wright (Chair of Camden Leaseholders' Forum)  
Norman Spreight  
Daniela Dillon  
Karl Vaughan  
Paul Ginsberg  
Barbara Green  
Janet Barrett  
H Norris  
M Della  
Hilary Westlake  
Margaret Haines  
Rosalie Miles  
Mary Lyons  
Aldires Bugia  
Clandia Francis  
Clem Alford  
Orna Neumann  
Mary Mulligan  
F Morrison  
Andrew Downey  
Tessa Brewer  
Kate Spillane  
John Ferrari  
B Payne  
Genia Davy  
Diane Astin  
R Tower  
R Amos  
J Rendell  
R Weyburne  
Paul Albert  
Z Mughal  
A Yiamoueti  
Clare Hill  
K Griffiths

### **COUNCILLORS PRESENT**

Councillor Julian Fulbrook  
Councillor Sally Gimson

## **OFFICERS PRESENT**

Stephen Platt (Head of Leaseholder Services)  
Rosemary Westbrook (Director of Housing and Adult Social Care)  
Vinothan Sangarapillai (Committee Services)

**The minutes should be read in conjunction with the agenda for the meeting. They are subject to approval and signature at the next meeting of the Leaseholders Forum.**

## **MINUTES**

### **1. PRESENTATION AND QUESTIONS & ANSWERS**

Peter Wright, the Chair of the Leaseholders' Forum, made an introductory statement to the Forum. He mentioned that the Forum was elected on a three-yearly basis and that the next elections were due to be held in autumn 2012. He said that information about how to stand for election and, once nominations were received, ballot papers to vote in the election would be sent out to leaseholders together with other council mailings from Leaseholder Services.

Steve Platt delivered a presentation on management charges. Key points he said in his presentation included:

- The Council calculated that the rechargeable costs in managing services for leaseholders was £2.72m in 2010/11.
- The Council recovered £1.03m in management charges, meaning there was under-recovery of £1.69m which officers had a fiduciary duty to try to reduce.
- The Council had introduced a Certification, Accounting and Audit charge which would reduce under-recovery by £313,472 in 2012/13.
- About 50% of leases capped management charges at 10% of the annual service charge bill. The others did not, and the Council would be moving to charge them the full amount of management charges. This was likely to average about £246 per property, based on existing figures.

He said that the Council would be making a pre-emptive application to the Leasehold Valuation Tribunal (LVT) to check that the full rechargeable management charges could be applied to properties that had leases that did not cap management charges at 10%.

Attendees asked questions and made a number of points in the meeting. These included:

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- They wanted a more detailed breakdown of how the £2.72m of management costs was incurred and calculated;
- Management costs were levied as a percentage of a bill, and that bill itself could be disputable – some leaseholders had managed to get a lot of items that weren't justifiable removed from their bills;
- A lot of costs were incurred because there was a high volume of correspondence and complaints from leaseholders about errors in bills and problems with maintenance. If matters had been handled correctly in the first place, then there would not be a need for so many staff to deal with complaints;
- Service charges were higher than in other boroughs;
- If people were charged more in service charges, then they said they needed to get a better service;
- There was annoyance about the behaviour of contractors and sub-contractors;
- An increasing number of charges seemed to be levied by the Council for matters like electrical tests which weren't included in service charge bills before;
- Guarantees were not kept for capital works, which meant that leaseholders were being charged twice to rectify mistakes and poor workmanship;
- Some leaseholders were keen to take over the management of their property/estate themselves and wanted to explore this option.

Steve Platt responded to questions during the course of the meeting. He said that he hoped the long-term partnering relationship the Housing Department was entering into with contractors would give them more of an incentive to do a better job that lasted for the long-term. He also said that the "Right First Time" initiative was reducing the number of extra visits that had to be undertaken for repairs jobs.

In terms of resident self-management, Steve said that the Council was looking to sell the freehold of buildings where all properties were owned by leaseholders. In which case, leaseholders would have total control of their block. There was also the option of going for a 'Tenant Management Organisation' which enabled people to remain council tenants or leaseholders but to take on greater responsibility and gain greater control of how day-to-day management was undertaken.

Councillor Fulbrook, the Cabinet Member for Housing, addressed the meeting. He said that he was concerned that about 1000 of the council's 9000 leaseholders were in dispute with the authority.

He said he hoped that this number could be reduced over time, and that matters could be resolved by mediation or arbitration rather than having to go to the LVT.

In terms of capital works, Councillor Fulbrook acknowledged that leaseholders were worried when they received large estimates and large bills through the post. He commented that, for blocks that were owned privately or run as co-ops, a reserve fund was built up for capital works.

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In terms of recharges of management charges, Councillor Fulbrook said it was important to recover the management costs associated with managing leasehold properties. Otherwise tenants, via the Council's Housing Revenue Account, or the general Council budget would be subsidising leaseholders.

Attendees asked a number of questions and made a number of comments. They included:

- That capital works should be postponed to avoid hitting people with large bills during an economic downturn;
- That the Council should stop proceeding with the installation of IRS;
- That there were long delays in receiving replies to correspondence with councillors and officers;
- There were delays in issuing final bills – 4 years in one case;
- There was the need for a council officer to be a single point of contact for the residents of each block;
- There was concern that some junior council staff felt nervous about reporting malpractice by contractors;
- There were breaches of the terms of the lease by people who were putting up extensions and making dramatic changes to the interior fabric of their property;
- There was a need for enforcement of the terms of leases.

The meeting ended at 9pm

**CHAIR**

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**MINUTES END**