

Date: 7<sup>th</sup> August 2008

Your reference: 26787



Our reference: Reactive Repairs

Enquiries to: Regan Cossill 020 7974 x3573 x1854 x4452 x2813 x3624

The Leaseholder(s)/Freeholder(s)

Dear Sir/Madam,

**Notice of Intention To enter Into Qualifying Long Term Agreements  
– Measured Term Contract for Day-To-Day Repairs for the Councils  
Housing Stock.**

Property Address: ~~XXXXXXXXXXXXXXXXXXXX~~ Camden Street, London, ~~XXXXXXXXXX~~

Please find enclosed our first stage Notice of Intent to enter into five long-term agreements with contractors for the provision of day-to-day repairs to the Councils housing stock. We ask that you take some time to read this letter and its enclosures as they contain important information for you.

**How will this Proposal Affect Me?**

We are proposing to enter into five 18-month agreements (with the option of extending them to 36 months), with contractors who can provide **day-to-day repairs to the Councils housing stock**. The contracts are in standard form but will cover different areas. There will be one for each district within the London Borough of Camden.

The pricing basis of the contracts is percentage adjustments tendered against a pre-priced schedule of rates, together with a daily rate for a mobile repairs operative and day work rates.

Those contracts are long term qualifying agreements for the purposes of sections 20 and 20ZA of the Landlord and Tenant Act 1985. The notice is served in accordance with the consultation requirements of Schedule 2 to The Service Charges (Consultation Requirements) (England) Regulations 2003.

You will observe that the Notice does not concern the carrying out of specific works. Where the long-term agreement includes provision for the carrying out of works to the property or estate and these works will result in a charge to any leaseholder of more than £250, then a separate consultation must be carried out under the provisions of Schedule 3.

For example, contractors may be asked to undertake works to your block such as the repair of a leak in the roof. The contractor will be asked to repair the leak and you will be charged a fair apportionment of the cost of this repair in your annual service charge invoice.

However, if the repair is substantial and your resulting contribution under the service charge is estimated to be above £250.00, then, in accordance with the above-mentioned housing legislation, we will give you a Section 3 notice. In summary this will normally detail the nature of the repair, state the reason why we think the repair is necessary and your estimated contribution towards the estimated cost and ask for your observations.

An exception to this will be emergency works when dispensation will be sought from the Leasehold Valuation Tribunal.

#### **Why you do not have the right to nominate a contractor?**

We have estimated that the total value of each individual contract is above the amount set out in the European Union Guidelines and therefore we must publish our intentions in the Official Journal of the European Union. In these cases the legislation states that Leaseholders and Recognised Tenants' Associations do not have the right to nominate a contractor.

#### **What Happens Next?**

Once the Notice of Intent 30 day observation period has ended on **10<sup>th</sup> September 2008**; we will consider all of the observations, respond to each one in writing, make any agreed amendments to the proposal, and then seek tenders for the contracts. Once we have received and assessed the tenders we will issue you with our second notice under Schedule 2 of the regulations. In summary that second notice will set out a proposal in accordance with the requirements of paragraph 4 of the Regulations. The notice will include, for example, the identity of the contractors with whom the Council proposes to contract having considered the tenders received.

#### **Charges**

Once we have agreed the contracts you will not be charged for any work unless it is work covered by your service charge and carried out to the block or estate you live in.

Should you have any questions regarding this letter, please do not hesitate in contacting the Capital Service Charges Team on one of the above telephone numbers.

Yours sincerely,



Regan Cossill  
Acting Senior Capital Service Charges Officer  
Enclosures:  
Statutory Notice of Intent  
Observation / Comments Form

**NOTICE OF INTENTION TO ENTER INTO A LONG-TERM AGREEMENTS  
FOR WHICH A PUBLIC NOTICE IS REQUIRED  
Sections 20 and 20ZA of the Landlord and Tenant Act 1985  
Schedule 2 to The Service Charges (Consultation Requirements) (England)  
Regulations 2003**

To all leaseholders in the London Borough of Camden and the boroughs Recognised Tenants' Associations.

1. It is the intention of the London Borough of Camden to enter into long-term agreements in respect of which we are required to consult leaseholders (**See Note 1 below**).

2. The following is a general description of the goods or services to be provided and works to be carried out under the contracts ("the relevant matters"):

The services to be provided under the agreements are measured term contracts for building maintenance (all trades) for day-to-day repairs and voids work to the Council's housing stock. The agreements therefore cover the carrying out of day to day repairs. The agreements will provide for (amongst other matters): commencement and completion of work; control of the work including the supply of items comprised in work orders; payment; compliance with statutory obligations; injury, damage and insurance; adjudication in the event of dispute; equal opportunities; security of voids; and guarantees. In other words a contractual scheme covering all aspects of the ordering and carrying out of maintenance and repair works required during the term of the contract on a day to day basis.

We are proposing to enter into five long-term agreements, one for each district in the borough.

You are invited to inspect all relevant documents at The Camden Town Hall, Committee Room 1, Judd Street, London, WC1H 9BJ, on **28<sup>th</sup> August 2008 between the hours of 3pm and 7pm.**

Although the document specifically relevant to you will be the contract for the district in which your accommodation is situated, the contracts are all in standard form and each can be seen upon inspection if required.

3. We consider it necessary to enter into the agreements for the following reasons:

- **the agreements will provide a contractual structure within which day to day maintenance and repairs can be ordered and carried out.**
- **It gives certainty that there is a contractor with the right resources to manage the repair.**
- **Contractors will build up valuable experience in respect of the Council's stock.**
- **There will be consistency with the way in which repairs are carried out.**
- **It gives us certainty on price, as the repairs will be based on a Schedule of Rates.**

- It allows the repairs to be undertaken in a timely manner.
- It is a more efficient method of managing ad-hoc repairs and is therefore more economical.

The works to be carried out will include qualifying works. These works will be necessary to ensure that the Council's stock is maintained and kept in good repair.

The Council proposes to enter into five agreements with contractors for a period of **18 months (with an option of extending them to 36 months)** to attain value for money in agreeing standard charges throughout the borough.

4. We invite you to make written observations in relation to the proposed agreements and the relevant matters by sending them to:

**Regan Cossill**  
**Acting Senior Capital Service Charges Officer**  
**London Borough of Camden**  
**Home Ownership Services**  
**20 Mabledon Place**  
**London**  
**WC1H 9BF**

Or emailing them to: [capitalservices@camden.gov.uk](mailto:capitalservices@camden.gov.uk) quoting **Day-To-Day Repairs** in the subject line.

Observations must be received at the Council within the consultation period of 30 days beginning with the date of this notice, and the consultation period will therefore end on **Wednesday, 10<sup>th</sup> September 2008**. We will pay due regard to the observations that are made and respond in writing within 21 days. **(See Note 2 below)**

**5. Public notice will be given of these contracts which is why you are not being invited to nominate persons from whom the Council should try to obtain an estimate for the services to be provided.** The Council has estimated that the total value of each individual contract exceeds the value of £144,371.00. This means that Camden must meet the EU procurement rules and the proposed contracts will be advertised by public notice in the Official Journal of the European Union. This means that under the legislation leaseholders and Recognised Tenants Associations do not have the right to nominate suitable contractors for this long-term agreement.

Signed:



Date: 7<sup>th</sup> August 2008

## **Explanatory Notes**

1. Section 20 of the Landlord and Tenant Act 1985 (as amended) ("the 1985 Act") provides that a landlord must consult leaseholders who are required under the terms of their leases to contribute (by payment of service charges) to costs incurred under a qualifying long-term agreement, where the contribution of any one leaseholder exceeds £100 in any accounting period. "Qualifying long term agreement" is defined by section 20ZA of the 1985 Act. It is anticipated that such costs will be incurred under the relevant qualifying agreement due to future repairs to be carried out pursuant to its terms.

2. The landlord has a duty to have regard to written observations made within the consultation period by any leaseholder or Recognised Tenants' Association. "Recognised tenants' association" is defined by section 29 of the 1985 Act.