

# WHAT IS A LEASEHOLDER?



There seems to be some misunderstanding over what the term 'leaseholder' means. Our Leasehold and Right to Buy Officer Jan Tate provides some further information to clear up any confusion...

On behalf of Southend-on-Sea Borough Council, South Essex Homes, manages in the region of 6500 properties across the borough. This includes flats, houses, maisonettes and sheltered schemes. Of these approximately 10% are leasehold properties.

## Who are Leaseholders?

There are generally two types of leaseholders in the borough:

- 1) Former Tenants who purchased the property through the Right to Buy Scheme
- 2) Leaseholders who bought the property on the open market

Leaseholders who purchased the property on the open market may have bought this from the tenant who exercised the Right to Buy, or, if the property has been sold a number of times, the previous leaseholder before them.

In addition some leaseholders will reside at the address whilst others may let the property to tenants.

## Similarities with other residents

Like with other neighbours at the block, leaseholders have similar obligations to adhere to. This includes:

- Being responsible for the conduct of others living at their address (including their tenants)
- Not causing a nuisance to other residents
- Getting permission before they to conduct certain alterations or improvements within the property
- Ensuring individual gardens are kept in good condition
- Making sure the inside of the home is clean and in good condition

## Leaseholders' Obligations

Unlike other residents, leaseholders are responsible for conducting all of their own repairs and maintenance within their flat. This includes internal wiring, central heating, replacing kitchens and repairs to internal piping including bathrooms

## Services Charges and Major Works

Leaseholders are also responsible for paying a percentage contribution for works at their block. This includes day to day repairs, costs towards communal electricity, the caretaking service and Grounds Maintenance to name a few examples. In addition they are required to pay their percentage contribution towards the costs of large expenditure. This can include roof replacement, window renewals, redecoration and replacement lighting projects.

Unlike other residents who pay service charges in a pooled scheme, these charges relate specifically to their block, as described in the lease. The service charge costs between blocks vary depending on their size. Leaseholders in tower blocks pay an annual service charge in the region of £1500-£2000 whilst those in a smaller block may typically pay £500-£750. Again, the costs of major works will also vary between blocks.

## The Lease

When a tenant purchases the flat or maisonette through the Right to Buy scheme a lease is granted for a term of 125 years by the Council. The lease sets out the agreement to pay towards service charges and major works. It also describes the property being granted to the leaseholder and includes a plan of the block and the location of the flat. The responsibilities for who maintains certain areas are also defined and it also lists the regulations which the leaseholder and the freeholder must adhere to.

## Right to Buy

From the 6th April 2019 the maximum Right to Buy discount rose to £82,800 in this area.

If you are interested in purchasing your Flat through the Right to Buy Scheme please visit the following websites for further information or call 0800 833 160

<https://www.gov.uk/right-to-buy-buying-your-council-home>

[www.southessexhomes.co.uk](http://www.southessexhomes.co.uk) and search for 'right to buy'

If you are a secure tenant who lives in a house you can enquire about the scheme using the above information. Our houses are sold on a freehold basis. Here, you will be responsible for all maintenance once it is sold.