

RTB/RTA FREQUENTLY ASKED QUESTIONS (FOR FLATS)

What is a service charge and what does it cover?

The cost of any additional services that we may provide is paid for through a 'service charge'. The service charges are detailed within your lease and on your Section 125 Offer. The charges will depend on where you live, however, they normally include buildings insurance, the cost of services such as landscaping or repairs to communal areas (if applicable), ground rent, responsive repairs and a management fee. A part of the service charge will also go towards your sinking fund contribution. Please see below example of service charge costing for a typical **one bedroom flat**:

2016/2017

Ground Rent	£10.00
Insurance 1 bed	£25.08
Internal Lighting	£25.78
Management Fee	£122.28
Grounds Maintenance	Variable
Reported Repairs	£50.00/£30.00
Door Entry	£15.76
Sinking Fund Contribution	£300.00

What is the 'management fee' for?

The management fee covers our costs for providing our services which can include managing the rent and service charge accounts and dealing with lease queries.

What is a 'sinking fund' for?

A sinking fund is a reserve of money that you contribute to each month through your service charges. The fund builds up over time to pay off any major works Liverpool Mutual Homes carries out such as a new roof for the block or environmental works. The fund means that you will build up money monthly towards these costs as opposed to paying for works in one lump sum. For any 'major works' over £250 total cost per leaseholder, you will be consulted via a Section 20 notification.

Section 20 notifications

Liverpool Mutual Homes will issue a Section 20 notification to you when works are being carried out at a cost of more than £250 per leaseholder. This notice will detail the works intended to be carried out and allows you to respond to the notice if you wish to query any works or costs. *This should be done via letter.*

Who will carry out repairs to my property?

If you live in a flat, you are responsible for the repairs to the inside of your property. We are responsible for repairs to the structure and communal areas of the building.

Please remember that this is just a guide. Your lease will explain your responsibilities, right and obligations in more detail. If in doubt always seek legal advice.

Can I carry out alterations or additions to my property?

Your lease will confirm whether you are able to make any alterations or additions to the property. Usually, most leases allow for internal alterations, such as changing your bathroom or kitchen, to be made with our written permission.

If you wish to make any internal alterations, please contact us to discuss further and complete an Alterations Request Form.

Please note that any improvements we authorise are carried out at your own cost and are subject to the relevant permissions and regulations.

Can I have pets?

Please check your lease to see whether you can keep pets in your home. Your lease may also stipulate that you need written permission from us to keep a pet. If your lease allows you to keep a pet then you must ensure that it does not cause a nuisance to your neighbours.

What happens to my property if I die?

It's a good idea to have a will in order to pass your property onto the person you want it to in the event of your death.

Can I sublet my property?

Yes, however we require you to let us know details of your tenant and your correspondence address.

Can I sell my property?

You are able to sell your property at any time. However, if you sell your property within the first five years of purchasing through the right to buy scheme, you will have to repay some, or all of your discount. Further, if you wish to sell or dispose of your property within the first ten years of purchasing, you must offer the property back to Liverpool Mutual Homes under the 'first right of refusal'.

Do I need Insurance?

We provide building insurance for your home and you pay for this through the service charge. We will provide you with a copy of the Summary of Cover when you first move into your property but further copies can be downloaded from our website. If you need to make a claim, you can contact the Insurers directly.

Please remember that the building insurance policy does not cover your personal belongings. You are responsible for insuring these and we strongly recommend that you take out Contents Insurance as soon as you move in.

Additional Services

There are a number of additional services that we make available to our leaseholders.

As these services fall outside of your lease, they are charged separately and are not covered by your service charge.

- Gas servicing

The current cost is £45 for the central heating check, gas leak check and Landlord's Gas Safety Record (LGSR), plus £10 per additional gas appliance. Please contact the Leasehold and Sales Team if you are interested.

- Royal Sun Alliance Simple Contents policy

It is your responsibility to insure your furniture, belongings and decorations against fire, theft, vandalism and water damage, such as burst pipes.

We make it easy for you to insure your belongings under a special household contents insurance scheme, through Royal & Sun Alliance. This is only available to our customers and is at a highly competitive rate.

To find out more about the cover available and how to apply download an application form, go to our website www.liverpoolmutualhomes.org or contact the Leasehold & Sales Team.