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Document Type	Policy- L2		

Leasehold and Service Charge Policy

1.0 Aim / Purpose of the Policy

1.1 The principal aim of this policy is to ensure that Coastline maximises its income through prompt and effective recovery of rent, service charges and other revenue streams, whilst delivering excellent customer service in an open, honest and accountable manner. Coastline look to charge all applicable parties, including leaseholders and freeholders, to ensure costs are not subsidised by renting tenants.

1.2 In addition, the policy aims to deliver the following outcomes:

- A structured and consistent approach to lease management, calculation and charging of service charges, payments and charges;
- Ensuring equality through tailored services, paying particular regard to disability and vulnerability;
- Ensuring the correct processes are followed in respect of Pre-Action Protocol and Section 20 consultation;
- Preventing arrears by providing signposting to debt management support and promoting the take-up of available welfare benefits; and
- Ensuring colleagues are able to interpret and apply the covenants and obligations contained within the lease.

1.3 This policy complements the principles of the Communities and Customer Experience Strategy, ensuring customers are contacted through their preferred methods, encouraging effective engagement.

2.0 Background / Introduction

2.1 Maximising the income of Coastline is vital to the business plan and also to the service provided to customers. The Leasehold and Service Charge Team, in conjunction with other relevant teams, work proactively to manage accounts and prevent arrears.

2.2 From the initial point of contact Coastline will adopt a person-centred approach, gaining an understanding of the customer’s expectations and needs, to support them in meeting the terms of their lease.

2.3 Colleagues will be aware of Coastline‘s Policy and standards in relation to service charging, recovery of arrears and management of leasehold properties, which will:

- Enable early resolution of non-payment through effective contact with customers;
- Maximise income and minimise debt;
- Identify performance indicators in a timely manner;

- Promote partnership working to resolve complex issues and maintain payments; and
- Ensure a fair, reasonable, and consistent approach in dealing with an individual's circumstances.

3.0 Working with vulnerable customers

3.1 We have a responsibility to ensure that vulnerable and socially excluded customers are protected. It is therefore vital that our policy and procedures make adequate provision for vulnerable customers to access and obtain relevant assistance and support.

3.2 To meet the needs of vulnerable customers, we will;

- Ensure visits are carried out as necessary to discuss issues, promoting a sense of trust and confidence;
- Work with support workers and other advocates;
- Work closely with other housing teams;
- Signpost customers in financial difficulty to other agencies;
- Be sensitive to the customer's needs; and
- Adopt a 'support first' approach, using forfeiture as an absolute last resort.

4.0 Monitoring, review, and compliance

4.1 We have a full commitment to this policy and will ensure appropriate training is given to all relevant colleagues.

4.2 This policy will be made widely available to customers and stakeholders.
This policy will be reviewed every three years, or earlier in line with any legislative, regulatory, or good practice changes.

5.0 Arrears Management

5.1 In all cases, the requirements of the Pre-Action Protocol for Debt Claims will be adhered to for leaseholders, freeholders, and shared owners.

5.2 Where possible, Coastline will work with the owner to agree an affordable repayment arrangement, and will consider mediation if appropriate. However, in the case of leaseholders and freeholders, due to the financial licence Coastline holds, terms in excess of the initial 12-month payment term cannot be granted without a Court Order.

6.0 Forfeiture

6.1 Forfeiture means taking legal steps to bring the lease to an end and to repossess the property in cases where the conditions of the lease have been breached.

6.2 Forfeiture will only be sought in extreme cases where all other attempts to rectify the breach have failed.

6.3 Coastline will ensure that all owners keep to the terms of their lease to protect the interests of other customers.

6.4 We will take appropriate action if an owner breaches the terms of their lease, for example by:

- Failing to pay their rent, buildings insurance, and/or service charges;
- Carrying out alterations to their home without our approval;
- Using their home for illegal or immoral purposes, or for uses not permitted by the lease;
- Failing to maintain, or damaging the property;
- Refusing reasonable access to our colleagues or contractors; or
- Causing anti-social behaviour, including harassment or neighbour nuisance.

6.5 Forfeiture is extremely serious and will only be taken as a last resort. To forfeit the lease, we will apply to the court to prove the breach and this may result in the customer losing their home.

6.6 The customer will remain responsible for repaying their mortgage and any loans secured against their home. They are not legally entitled to any proceeds from the sale of the property.

6.7 Section 146 Law of Property Act 1925 outlines the steps Coastline must take in seeking to forfeit the lease. Any deviation from the strict requirements of Section 146 is likely to result in Coastline waiving the right to forfeiture and no further action may be taken to forfeit the lease in relation to this breach.

7.0 Major works and long-term contracts

7.1 The Commonhold and Leasehold Reform Act 2002 introduced regulations regarding the legal requirement to consult leaseholders when:

- A service charge greater than £100 in any one year is anticipated to an individual property under a long-term contract (one that is entered into for more than 12 months); or
- A charge greater than £250 per property is applied towards the cost of a single item of works, repairs or improvements.

7.2 Failure to carry out consultation in the prescribed manner will result in the relevant service charges being capped by the Service Charge Manager to:

- £100 per year for costs incurred under a long-term contract; and
- £250 for repairs or improvements that are not part of a long-term agreement.

7.3 However, if it can be shown that the work in question was urgent and there was not enough time to go through the consultation process, a dispensation application can be made. In these instances, the First-tier Tribunal (FTT) can choose not to enforce all or part of the consultation requirements.

7.4 Whilst legislation sets the levels at which consultation is required, colleague discretion is allowed on a case-by-case basis where consultation costs exceed procurement thresholds. In these instances, senior managers may approve a proactive cap on the costs where consultation does not make financial sense.

7.5 Colleagues undergo regular training to ensure they are aware of these requirements.

7.6 **Payments for major works**

7.6.1 Once the final costs of the work are obtained, we will send an invoice within 18 months of completion.

7.6.2 When we provide an estimate for major works, if the cost deviates from the estimate, we will adjust the invoice to reflect the costs incurred.

7.6.3 The major works invoice is issued alongside the annual service charge estimates and must be paid within 12 months, in line with the payment terms for annual service charges.

7.6.4 In the event of non-payment, we will take action in line with the requirements of the Pre-Action Protocol for Debt Claims. We will only take recovery action using the courts as a last resort.

8.0 Alterations and improvements

8.1 An alteration is something that affects the structure of the property although it may not necessarily alter its value. Examples of alterations include:

- Changing the layout inside the property by removing walls; and
- Changing front doors and windows.

8.2 Improvements are changes that may increase the value of the home. Examples of improvements include:

- Loft conversions;
- Installing gas central heating systems;
- Conservatories; and
- Installing double glazing.

8.3 Before making any alterations to the property, the owner is required to pay an administration fee (see Appendix A for the Schedule of Fees) and obtain written permission. Written permission may also be required from the:

- Mortgage provider;
- Management Company; and/or
- Local authority planning and building control departments.

9.0 Consents

9.1 There may be occasions when Coastline's legal consent is required, such as in cases of subletting and re-mortgage. In these cases Coastline may not unreasonably withhold consent. As before, the fee schedule is at Appendix A.

10.0 Shared owner rent and service charge obligations

10.1 On completion of the property purchase, all shared owners are required to pay the apportioned rent, service charge, and buildings insurance for the current calendar month, in addition to the forthcoming month in full. Thereafter, charges will be debited to the account on the first of each month and the lease requires payments to be made on or by the same date.

10.2 As standard, shared owners are expected to pay their charges by Direct Debit on the first of each month, although this is not stipulated within the lease.

11.0 Housing Benefit and Universal Credit

11.1 Shared owners may have an existing Housing Benefit or Universal Credit claim which will be part of the affordability assessment carried out by the Sales Team. Where this is the case, customers will be expected to continue to receive benefit payments direct to them and maintain payments for their charges by Direct Debit. Housing Benefit will be only be payable to Coastline in exceptional circumstances when it is considered to be in the interests of both Coastline and the customer.

11.2 Due to the relationship with shared ownership customers, it is expected that Housing Benefit and Universal Credit claims will be managed by the customer. However, assistance may be offered where it is considered to be in the interests of both Coastline and the customer.

12.0 Shared owner Initial Repairs Period

12.1 In May 2021, Homes England updated the shared ownership leases funded by the Affordable Homes Programme (AHP) 2021 to 2026 to include a new 'initial repairs period'. This being a period of ten years from the start date of the lease. Under the terms of this lease, the landlord is responsible for procuring and paying for essential repair works to:

- The load bearing framework of the building;
- The external fabric of the building;All other structural parts of the building, the roof, foundations, joists and external walls of the building; and/or
- The service media and machinery and plant within (but not exclusively serving) the premises and all parts of the building which are not the responsibility of the leaseholder under the lease or of any other leaseholder under a similar lease of other premises in the building.

External windows and doors are also covered by the above descriptions but should be covered by warranties or insurance. General maintenance and redecoration is not covered and remains the responsibility of the shared owner. These requirements do not change Coastline's obligations in respect of blocks of flats but do add additional requirements in relation to shared ownership houses and bungalows.

12.2 In addition to the new maintenance obligations, for the first 10 years landlords are also required to provide shared owners with an annual £500 contribution towards the cost of Qualifying General Repairs and Maintenance Works. A maximum of one year's worth of unused contribution may be rolled into the following year. There is also no limit to the number of claims that can be made in one year.

The criteria applicable for use of this contribution is restricted to:

- The installations in the premises for the supply of water, gas and electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity); and
- The installations in the premises for space heating and heating water (where those obligations are the leaseholder under the terms of the lease).

Any works must be approved by the landlord in advance and must be carried out by Trustmark or landlord approved tradespersons. The choice of who to instruct rests with the shared owner. Coastline offers a panel of approved contractors and Coastline Services as part of the Initial Repairs Period review and approvals process.

12.3 Contributions are managed within the Housing Management System and reported to customers annually on the anniversary of the lease start date.

It was the decision of Coastline's Executive Team to include these terms in all leases from this period onwards and not restrict them to grant-funded schemes only.

13.0 Sales process

13.1 Refer to the Shared Ownership Application and Allocations Policy for guidance.

14.0 Subletting

14.1 Where subletting is prohibited within the lease, Coastline will only consider granting permission to sublet in exceptional circumstances. Requests to sublet in these circumstances are assessed on a case-by-case basis and conditions that must be met will be explained if permission is granted.

14.2 Where conditional subletting is permitted within the lease, applications will be assessed to confirm compliance with the lease terms.

14.3 Fees for consent are as detailed in the schedule at Appendix A.

15.0 The responsibilities of the leaseholder, freeholder, or shared owner

15.1 The lease or transfer contains a number of general terms and covenants which legally set out the responsibilities, which may include:

- Paying ground rent, service charges, buildings insurance, and/or rent;
- Complying with local bylaws or environmental requirements;
- Allowing necessary repairs to be carried out;
- Not selling or subletting the property without formal permission to do so;
- Informing the landlord within one month if the property is sold, sublet or the ownership is transferred;
- Maintaining the property in good repair and keeping external areas tidy;

- Ensuring that the leaseholder, their household, visitors or pets do not cause a nuisance or annoyance;
- Repaying all or part of any discount received when purchasing the property, if sold within a specified time period; and
- How to give up the property at the end of the lease.

16.0 Our responsibilities

16.1 The lease or transfer also contains landlord covenants, which may include:

- Repairing and maintaining the structure and shared areas (for blocks of flats);
- Cleaning and gardening in shared areas;
- Insuring the fabric of the building (not the contents); and
- Making sure leaseholders carry out their obligations under the terms of the lease.

17.0 Breaking the terms of the lease

17.1 To protect the interests of all customers, we have a duty as landlord to ensure that all leaseholders and shared owners adhere to the terms of their lease. We will take appropriate action if we become aware that an owner is acting in breach of the terms of their lease.

17.2 In all such cases we will serve notice on the owner requiring them to remedy the breach. If the breach continues, we will take further action which may involve seeking an injunction or applying for forfeiture of the lease.

18.0 Non-payment of service charges

18.1 Non-payment of service charges and ground rent is a breach of the lease or transfer, and failure to make payments will result in Coastline taking action to obtain payment for the outstanding debt.

18.2 Although Pre-Action Protocol for Debt Recovery must be followed, in cases relating to leasehold and shared ownership arrears, it is important to contact the customer at the earliest opportunity and work to prevent the need for Pre-Action Protocol being required. Given the potential loss of assets for the customer, it should be expected that the courts will require a substantial level of debt and lack of engagement from the customer before making an order for possession.

18.3 Consideration should also be given to the potential repossession of the property by the customer’s mortgage provider and therefore close working with the customer to look for alternative solutions is essential. In some cases, customers may wish to sell or request reverse staircasing rather than risk losing their interest in the property.

19.0 Service charge loans

19.1 A leaseholder is required to pay a share of the costs of any repairs and improvements Coastline carries out.

19.2 The Housing (Service Charge Loans) Regulations 1992 came into force on 17 August 1992. They state that, provided certain conditions are met, some leaseholders have the right to request a loan from Homes England towards the cost of service charges for major repairs.

19.3 Further information can be obtained by accessing www.gov.uk/government/publications/service-charge-loans or emailing Homes England at enquiries@homesengland.gov.uk.

20.0 Leasehold and freehold property resales

20.1 If the property was purchased under the Right to Buy (RTB), the owner may be required to repay a proportion of the discount granted at the point of sale.

20.2 Other restrictions and covenants within the lease or transfer will also need to be observed, which may restrict who can purchase the property.

20.3 The owner will always be advised to seek independent legal advice.

21.0 Right to Buy (RTB)

21.1 Discount

21.1.1 If the property is sold within the first 5 years of purchasing under the RTB, all or a proportion of the discount received, must be repaid.

21.1.2 In addition, if the property is sold for more than the purchase price within this time, a share of any profit must also be repaid.

If sold in the…	Discount to be repaid
1st year after purchase	All of the discount plus a share of any profit.
2nd year after purchase	(80%) of the discount plus a share of any profit.
3rd year after purchase	(60%) of the discount plus a share of any profit.
4th year after purchase	(40%) of the discount plus a share of any profit.
5th year after purchase	(20%) of the discount plus a share of any profit.

21.2 Exceptions

21.2.1 The discount does not have to be repaid immediately if the sale or transfer of the property is:

- To a spouse or former spouse;
- To a member of the family who has lived at the property for at least 12 months;
- Ordered by a court under the Matrimonial Causes Act 1973 or Inheritance (Provision for Family and Dependents) Act 1975;
- The result of a compulsory purchase order;
- A sale of land belonging to the property, rather than the property itself; or
- As a result of the death of the owner.

21.3 **Restrictions on selling**

21.3.1 Some homes purchased under the Right to Buy may be subject to restrictions affecting who can purchase them. This applies to all owners and not just the original purchaser.

21.3.2 In some circumstances, the property must be offered to Coastline before offered for sale on the open market. This is a ‘Right of Pre-emption’.

21.3.3 Some homes may be affected by planning restrictions, stipulated through a Section 157 restriction or a Section 106 agreement, if they were originally provided as affordable housing for local people. These restrictions affect to whom the property can be sold or let.

21.3.4 Although the restrictions and agreements differ from property to property, the likely restrictions will insist that the buyer, tenant or licensee meets the following conditions:

- Had his/her place of work in Cornwall;
- Had his/her only or principal home in Cornwall;
- Has a 3 or 5 year qualifying period in Cornwall (this can be made up of a combination of time in residence and work anywhere in Cornwall); and
- If more than one person is buying, only one of them must meet these conditions.

21.3.5 Restrictions of this kind will normally stipulate that buyers or tenants must be approved in writing by Coastline. Sales made without our approval can become legally void.

21.3.6 Whilst Coastline does not have the power to remove a Section 157 restriction, in exceptional cases we may consider granting a waiver. Applications for a waiver are assessed on a case by case basis and at a minimum require the applicant to provide the following evidence:

- Written confirmation from estate agent instructed confirming the property has been on the market for a minimum of 12 months, the number of viewings, and whether any offers from qualifying persons were received; and
- Examples of exceptional circumstance including but not limited to:
    - Armed forces covenant where a local buyer comes from Cornwall but has been posted away and a three year current local connection cannot be proven due to the nature of employment;
    - Acute medical need to move by either owner or buyer; or
    - Acute financial hardship on the part of the owner.

Executive Team approval for the waiver will be required and the applicant will be required to cover Coastline’s administration and legal fees (as indicated in Appendix A).

21.3.7 In all circumstances, the owner of the property will be advised to seek their own independent legal advice.

22.0 Extending a mortgage or securing loans against the property

22.1 The mortgage lender has the first charge on the property which means that if it is sold, the law says that they have to be paid first out of the proceeds of sale.

22.2 When a property is sold under the right to buy, Coastline places a second legal charge on the property, resulting in the discount being the second payment out of the proceeds of sale.

22.3 Because we have the second charge on the property, our formal permission is required by the lender if the owner wants to extend their mortgage or secure any loans against their property.

22.4 We will normally consent to a request to extend their mortgage with their current lender, but we may not postpone our charge for other loans.

22.5 When making a decision to postpone our charge, we will take into consideration:

- The purpose of the loan;
- The amount of equity available in the property;
- Whether the loan is being provided by a lender approved by Homes England; and
- Whether the loan really needs to be secured against the property.

22.6 Applicable fees are detailed in the schedule at Appendix A.

22.7 The owner of the property will be advised to seek their own independent legal advice.

23.0 Repairs

23.1 Leaseholders and shared owners are generally responsible for all repairs within their property

23.2 Coastline's responsibilities include the structure, shared parts of the building, and the land on which it stands.

24.0 Anti-social behaviour

24.1 By signing the lease, the leaseholder or shared owner accepts the conditions contained within, and in most leases they will have legally agreed to the following:

- Not to allow any act or thing to become a nuisance to us or other residents of the building or estate; and
- Not to obstruct shared access ways, hallways, passageways and paths, or allow this to happen.

24.2 Any and all action taken with regards to alleged anti-social behaviour will be aligned with the ASB Policy and Hate Crime Policy.

25.0 Freehold title enquiries

25.1 All title enquiries are managed by the Leasehold and Service Charge Team. In most instances requests for certificates of consent will be passed to Coastline's solicitors, who will act on our behalf in these matters. Coastline's solicitors will obtain an undertaking from the other party to cover the costs of carrying out the work.

25.2 In instances where the Leasehold and Service Charge Team is in a position to action the enquiry, fees will be charged in line with the schedule referred to in Appendix A.

26.0 Selling a freehold property

26.1 Arrears or service charges remaining following the sale of a freehold property will become the liability of the purchaser. Service charges are charged to the property and not the person. Apportioned charges will be supplied to the solicitor acting on behalf of the seller on request. It is the responsibility of the purchaser's solicitor to ensure that the seller pays any apportioned balance prior to completion of the sale in order to avoid their client incurring additional costs.

27.0 Service Charges

27.1 Service charges overview

27.1.1 Service charges cover the costs of managing, maintaining, repairing, and providing services to customers beyond the benefit of occupying their own home. The law details that the charges must be 'reasonable' and the services provided must be of a 'reasonable standard'.

27.1.2 Service charges can include items such as communal cleaning, grounds maintenance, communal repairs, environmental maintenance, fire safety, communal utilities, and replacement of items such as lifts. They also include staffing and management costs and any other expenses to the block or estate.

27.1.3 Coastline is committed to providing value for money and becoming more efficient wherever possible, with customer affordability a key consideration. Service charges are reviewed and approved by the Executive Team each year, with significant customer impacts highlighted by the Service Charge Manager as part of the year-end and mid-year reports. Sewerage costs are compared to South West Water estimated rateable values and, for rental customers, rent and service charges are linked to the Rent Policy. As such, service charges may therefore be capped by the Executive Team as appropriate.

27.1.4 Some services are specific to certain tenures or types of property. Service charges per block, estate or tenure are calculated as appropriate. These charges are then divided between all eligible properties benefiting from the service.

27.2 Eligibility to pay service charges

27.2.1 The costs are charged to properties in a block or estate in a fair and reasonable way and in line with leases, transfers, and tenancy agreements. The communal gardens, grounds and facilities are a shared area available to all residents and maintenance of these areas ensures the estates are kept clean and tidy. The appearance of an estate or block affects all properties regardless of tenure.

27.2.2 In order to pass on service charges, provision to do so must have been established by legal means, which could include the following documents:

- Tenancy Agreement
- Licence
- Lease
- Register of Title
- Deed of Covenant
- Section 20 consultation process (refer to section 7.0 for guidance)

27.2.3 In some instances, provision for the payment of service charges may not have been included when the property was sold. In such instances we are unable to pass on service charge costs. Current processes ensure that all potentially service chargeable items are identified prior to sale and the transfer document currently in use includes provision for payment of service charges and implementation of sinking funds.

27.3 Calculation of service charges

27.3.1 Service charges that customers pay are based on estimates. These estimated service charges are set at the beginning of each financial year and are applied to accounts weekly, monthly or annually dependent on tenure type. In some cases, consultation on charges may be required. This will usually occur when there are major works to be carried out or when Coastline intends to enter into a long-term contract. The consultation process is detailed in section 7.0.

27.3.2 Major works costs are charged alongside the annual estimates and payment is on the same terms.

27.4 Calculation of estimated service charges

27.4.1 A variety of methods are used to calculate the estimated service charges, including but not limited to:

- Taking the spend to date in the current financial year and multiplying this over a 12-month period (annualising);
- Using agreed contract costs; or
- Using a five year average of actual costs.

We also estimate any increase due to inflation and add in any increases or decreases in spending that we are aware of for the coming year.

27.4.2 Calculation of the new estimated service charges begins in October of each year and the charges are finalised and approved in January. Refer to the Year-end Service Charge Procedure for detailed guidance.

27.4.3 New estimated charges begin in April and we must provide a minimum of 28 days' notice of any changes.

27.5 Calculation of actual service charges

27.5.1 Actual service charges are established by calculating all service charge costs for the most recent closed financial year. These actual costs are then compared against the estimated service charges for the corresponding financial year. Any surplus or deficit between the estimates and actuals is applied to the following year's estimated service charges.

27.5.2 Calculation of the actual service charges begins in May of each year and statements are sent to customers in September of the same year.

27.6 Management Fee

27.6.1 Coastline is entitled to recover a Management Fee for organising and managing services and service charging. The fee is a fixed percentage of the total costs incurred and is benchmarked to remain in line with the fees charged by other similar organisations. This fee is essential for us to be able to administer service charges and is reviewed by the Executive Team each year. We do not make a profit from this or any other service charge costs. Examples of the type of costs the Management Fee includes are:

- Arranging for contractors;
- Receiving and settling invoices;
- Calculating service charges and producing statements;
- Dealing with service charge related queries;
- Recovering service charges;
- Issuing consultation;
- Colleagues specifically employed for service charge matters;
- Developing and managing service charge IT systems;
- Providing additional documentation upon request; and
- Employing auditors to audit our processes.

27.6.2 As the Management Fee is based on a fixed percentage of the total costs incurred, it is calculated once all other charges have been identified and added to the total service charge payable.

27.6.3 Consideration will be given to flexibility to reduce the Management Fee to be charged for major works where appropriate.

27.7 Sinking Funds

27.7.1 Sinking funds are created to hold monies for the payment of major or cyclical works that are not carried out on an annual basis. Rather than receiving a large bill when an item is replaced, which may cause hardship, customers are required to pay into the fund each month or year.

27.7.2 Sinking funds are reviewed regularly to ensure that payments are sufficient to cover future costs and that these costs will be incurred within the expected timescale. Sinking Funds are increased annually by CPI.

27.7.3 Consideration will be given, where appropriate, to implementation of 'negative' sinking funds where the customer impact of large scale work would be significant.

In these instances, the sinking fund will be created with a debit balance. Customer contributions will then be calculated to both repay this balance and build up a fund for future works in readiness for the next works cycle. In all cases, with the exception of Housing for Older Persons, a negative sinking fund will require approval from the Director of Finance.

27.7.4 In line with legal requirements, owner contributions to sinking funds are held in a separate bank account that accrues interest. A sundry account for each sinking fund is also created on the Housing Management System. Credits and interest are applied on a monthly basis and debits recorded when expenditure is incurred. The contibutions are non-refundable if the customer moves out before the item is replaced.

27.7.5 Where a sinking fund item is removed, or these works will no longer be required, no further charges will be made. The sundry account will be closed and the funds may be used to “top-up” any shortfall in another sinking fund for the scheme. Where there is no other sinking for the scheme, the balance of the fund will be used to offset other service charge expenditure.

27.7.6 Statements of sinking funds are provided annually in September to owners, alongside the actual service charges.

27.8 Housing Benefit and Universal Credit Eligibility

27.8.1 Housing Benefit and Universal Credit will cover the majority of service charge items. However, service charge items that are personal in nature are not covered. Examples of ineligible charges are personal alarm systems or non-communal utilities.

27.8.2 In affordable rent tenancies, all service charges are included within the rent envelope and therefore covered by Housing Benefit or Universal Credit.

27.9 Service charge disputes

27.9.1 Following receipt of estimated or actual service charge statements, further information can be requested. This may take the form of a copy of utility invoices received or a breakdown of repairs invoices raised on a particular block. The evidence available will depend on the service charge item(s) in dispute. Further information may also need to be sought from contracts managers.

27.9.2 If, following provision of additional evidence, the service charge is still in dispute the customer is able to escalate to a formal complaint. The customer should also be advised that they may wish to seek independent legal advice, make an application to the First-tier Tribunal, or contact the Housing Ombudsman.

28.0 Equality, Diversity and Inclusion

28.1 Coastline is committed to fair and equitable housing policies and to providing equal opportunities for all customers when applying our income procedures. The circumstances of all customers will be considered objectively according to their individual needs and other diversity needs and as a result, exceptions to policy may be considered.

28.2 Coastline is opposed to direct or indirect discrimination and recognises the need for appropriate systems to actively prevent discrimination based on race, colour, ethnic or national origins, gender, age sexuality, mental status, religion, physical disability or mental health..

29.0 Communication, monitoring and review

29.1 We have a full commitment to this policy and will ensure appropriate training is given to all relevant colleagues.

29.2 This policy will be made widely available to customers and stakeholders.

29.3 This policy will be reviewed every three years, or earlier in line with any legislative, regulatory, or good practice changes.

30.0 Appendices

Appendix A – Schedule of Fees

Item	Fee
Coastline	
Completion of the Landlord Enquiries (LPE1 and LPE2), including provision of the standard enclosures required such as Buildings Insurance policy and Fire Risk Assessment	£180.00
Additional enquiries following provision of the LPE	£90.00
Notice of Transfer	£60.00
Copy of Lease in electronic or paper format	£30.00
Significant improvements and alterations such as conservatories, porches and structural alterations	£60.00 plus the cost of surveyors inspections if required
Standard permissions such as fences, decking, satellite dishes	£30.00
Retrospective permissions	Double the original fee
Subletting consent	£90 for the first 6 month period then £60 for each further renewal of the initial permission
Consent to re-mortgage	£30.00
Surrender and re-grant of lease Lease extension	£500.00 administration fee in addition to valuation fee, solicitor's fees, and the value of the variation to the lease
Waiver of Section 157 restriction	£500.00 administration fee in addition to solicitor's fees
Stephens Scown LLP	
Notice of transfer	£50.00 plus VAT
Certificate of compliance	£150.00 plus VAT
Land Registry applications such as RX3	Scaled depending on value. See here.
Surrender and re-grant of lease	£2,250 plus VAT and any disbursements
Lease extension	£1,200.00 plus VAT and any disbursements
Engrossment	£75.00 plus VAT
Notice of charge	£50.00 plus VAT
Consent certificate for waiver of Section 157 restriction	£200.00 plus VAT