

**Tower
Hamlets
Homes**

Section 20 Consultation Explained

For Leaseholders

 **Phone**
020 7364 5015

 **Email**
contactus@
towerhamletshomes.org.uk

 **Website**
www.towerhamletshomes.org.uk



If you need help, here's how to get in touch

Contact us



Website

www.towerhamletshomes.org.uk

Find answers to your questions, learn about our services, find out what we can do for you and view all of our leaflets.



Phone

020 7364 5015

Text-phone

Call us with the help of BT Text Relay
18001 020 7364 5015



Email

For general enquiries

contactus@towerhamletshomes.org.uk

For rents

rents@towerhamletshomes.org.uk



Write to us

PO Box 66355
London E14 1GU

Every care has been taken to make sure that information contained in this leaflet is correct as at October 2012.

Tower Hamlets Homes manages homes and estates owned by Tower Hamlets Council.

Tower Hamlets Homes is a trading name of Tower Hamlets Homes Limited. Registered in England and Wales.

Repairs Helpline

For when you need to report a repair or ask us about the progress of a repair that has been already reported. Someone is available 24 hours, every day.



Phone

0800 376 1637
(free from landlines)
or 020 7364 7070

Bengali/Sylheti

call between 9am and 5pm
on 0800 376 1638 free from
landlines or 020 7364 5151

আপনি যদি বাংলাভাষায় কোন মেরামতের কথা রিপোর্ট করতে চান তবে সকাল ৯টা থেকে বিকাল ৫টার মধ্যে 0800 376 1638 নম্বরে যা ল্যান্ডলাইন থেকে ফ্রি বা 020 7364 5151 নম্বরে ফোন করুন।



Email

repairs@towerhamletshomes.org.uk
(not for emergency repairs)

Anti-social behaviour

For when you need help or advice on anti-social behaviour



Phone

0800 917 5918
(free from landlines)

Registered Office:
Jack Dash House
2 Lawn House Close
Marsh Wall
London E14 9YQ

Company No. 06249790.
VAT Registration No. 912 4819 30.

Your local Housing Office

1 Rushmead

Bethnal Green
London, E2 6NE

Open

— 9am to 4.30pm Monday to Friday
(except the last Wednesday
of every month 10am to 4pm)
— 9am to 12.30pm Saturday
— Closed Bank Holidays

Access

Wheelchair access,
hearing loop in reception area,
language translation

Cheviot House

227-233 Commercial Road
London, E1 2BU

Open

— 9am to 4.30pm Monday to Friday
(except the last Wednesday of
every month 10am to 4pm)
— 9am to 12.30pm Saturday
— Closed Bank Holidays

Access

Wheelchair access,
hearing loop in reception area,
language translation

542 Roman Road

London, E3 5ES

Open

— 9am to 7pm Monday
— 9am to 5pm Tuesday to Friday
— 9am to 1pm Saturday
— Closed Bank Holidays

Access

Wheelchair access,
hearing loop in reception area,
language translation

In partnership
with:



TOWER HAMLETS



What is this booklet about?

The booklet gives you a brief summary of the regulations that we have to follow when we consult you about work or services that you have to pay for.

It also tells you where you can get help and advice if you need it.

We carry out Section 20 consultation on behalf of the Council - your *Landlord*.

Get in touch

**Face to face**

Ask any member of staff

**Phone**

020 7364 5015
(8:30am–5:30pm Mon–Fri)

**Website**

www.towerhamletshomes.org.uk

**Email**

contactus@towerhamletshomes.org.uk



C

Section 20 consultation: what is it?

Section 20 consultation explains the works or services that we plan to do to your block or estate and tells you about the costs.

D

Why we must consult you

The law says we must consult you about service charges for certain types of building work and services:

- Section 20 of the Landlord and Tenant Act 1985;
- Section 151 of the Commonhold & Leasehold Reform Act 2002.

E

When we must consult you

We must consult you before:

- we do any works (repairs and maintenance, improvements and major works to your building or estate) that will cost you, or any other leaseholder affected by the works, more than £250;
- we set up any long term agreements (contracts lasting more than 12 months) with private companies for works, services, or supplies, which will cost you, or any other leaseholder affected by the works, more than £100 a year. (This includes services such as gardening and insurance);
- we carry out any work under a long-term agreement that costs you, or any other leaseholder affected by the works, more than £250.



F

Taking part in Section 20 consultation

Section 20 consultation has many stages and can take a number of months to complete.

The law says we have to ask you for your views at each stage of the consultation. You will have plenty of time to write to us with your views, usually around 30 days.

We want you to take part in the consultation because it helps us improve residents' satisfaction with the works that we do.

We take note of any comments that you make as they can influence what we finally do.

G

The Schedules

The schedules set out how we must consult you at each stage of the consultation process. The law says we must follow the schedules when we consult you and recognised tenants' associations¹. You will always get two notices, sometimes three. Each notice deals with a different part of the consultation process and asks you for your comments about each one.

Schedule number and what it's for	Number of stages or notices	Public notice needed
1 Long term agreements (contracts lasting more than 12 months)	2-3	No
2 Long term agreements (contracts lasting more than 12 months)	2-3	Yes
3 Work under a long term agreement	1	No
4 Part 1: Works using a standard contract (less than 12 months)	2	Yes
4 Part 2: Works using a standard contract (less than 12 months)	2	No

We explain more about the schedules later in this leaflet.

¹ 'Recognised Tenants' Association means an association which is recognised under section 29 of the Landlord and Tenant Act 1985. There are a few of these in Tower Hamlets and we do consult formally with them when we need to. Most residents' associations are not formally recognised under the Act, but we do consult and involve them in major repairs as well as consulting leaseholders individually.

H

What is a Public Notice?

The law says when we use a standard contract (contracts lasting less than 12 months) or a long-term agreement (contracts lasting longer than 12 months) above a certain amount¹ we must issue a Public Notice.

We must advertise the Public Notice in the Official Journal of the European Union (OJEU). This allows companies outside the United Kingdom, but within the EU, to be considered for the work. The rule covers all large contracts offered by public and government organisations.

When we do not have to issue a Public Notice (when standard contracts or long-term agreements are below a certain amount) you and recognised tenants' associations have the right to suggest a contractor you would like to do the work (this is called nominating a contractor). We will tell you when you can nominate a contractor.

I

Nominating a contractor

When you nominate a contractor you must write and tell us the contractor's name and address so that we can write and ask them for an estimate (how much it will cost to do the work).

What happens if more than one contractor is nominated?

If a recognised tenants' association or a leaseholder nominates a contractor we must ask the nominated contractors for an estimate.

If there is more than one contractor nominated by leaseholders we will ask the contractor with the most nominations to provide an estimate.

If there are two or more contractors nominated by leaseholders with the same number of nominations, we will select one contractor and ask them to provide an estimate.

Nominated contractors

To safeguard you and other leaseholders we need to be careful about who we employ to do work.

We will ask any contractor you or a recognised tenants' association have nominated to complete a number of forms. This allows us to check the contractor is able to do the work, that they are financially sound, meet health and safety requirements, and a number of other special requirements. We have to be sure they are not going to go out of business before they finish the work. We also have to be sure the contractor is not going to do the work to a poor standard, as this will mean we will have to spend more money putting things right.

¹ The amount is set by the European Union (EU).

Schedules **1** **2**

Long Term Agreements

The Law says we must use Schedules 1 or 2 to consult you about Long Term Agreement works.

Long Term Agreements are contracts, which last longer than 12 months. (They are also called 'Qualifying Long Term Agreements' or 'QLTAs').

We use Long Term Agreements because they are generally a cheaper way to get work done. They give contractors a longer period of work than a standard contract, which helps keep costs down for residents.

When we consult you under Schedules 1 & 2

First stage: Pre-tender stage

At the pre-tender stage we must send you a Section 20 notice called a **Notice of Intent**.

The notice must tell you:

- what the long term agreement is for (e.g. day-to-day repairs);
- what is included in the long term agreement, such as plumbing, glazing, electrical repairs, joinery repairs, brickwork; and tell you where and when you can see the pre-tender documents and get copies;
- why the long term agreement is needed;
- why we are using a long term agreement;
- if you can nominate a person you want to price for the work or if you can't nominate anyone tell you why you can't nominate anyone;
- when the first stage consultation period ends, which will be at least 30 days from the date of the notice;
- if we are not be able to give you any information about the costs at pre-tender stage;
- invite you to comment on the notice and give you the address where you should send your comments.

Second stage: Tender stage

The law says we must write to you again with a Section 20 notice called **Notice of Proposal** after we have tendered for the works (get prices from a number of contractors who want to do the work).

We must prepare two proposals (this sets out which contractors we intend to use and the work we plan to do) from different contractors. We must also prepare proposals from any contractor nominated by leaseholders or recognised tenants' associations.

The Notice of Proposal must:

- either include the proposals or tell you when and where you can see the tender submission documents and get copies;
- tell you about the costs of the works;
- invite you to make any comment in writing about the proposals and tell you where and when you should send your comments;
- tell you when the second stage consultation period ends, which will be at least 30 days from the date of the notice;
- give you a summary of the comments we received when we issued the Notice of Intent and our responses

Schedules **1** **2**

When we consult you under Schedules 1 & 2 (continued)

to those comments, or tell you when and where you can see them.

The proposals must:

- describe the work to be carried out under the contract;
- give the name and address of the contractor;
- tell you if there is any connection between the contractor and Tower Hamlets Homes or the Council and what is that relationship;
- tell you about any arrangements in the long term agreement for varying the prices given at this time;
- say how long the contract will run.

We will consider any comments you make and write to you within 21 days of receiving your comments.

At the pre-tender stage it is normally too early to be able to tell you how much you will have to pay.

However, the law says we must tell you one of the following:

- the cost for your home or;
- the cost for the building or;
- the hourly, daily or unit rate for the work or;
- when we will be able to tell you any of the above.

The notice will also tell you what information has been included or is available for you to see.

Third stage: Award of Contract

If we do not choose the lowest price or any contractor nominated by a leaseholder or recognised Tenants' Association, the law says we must issue you an Award of Contract Notice.

When we issue you an Award of Contract Notice we must:

- tell you why we have chosen the successful contractor;
- give you a summary of the comments we have received about the notice of proposal and our response, or tell you when and where you can see the summary of comments and responses.



Schedule 3

Carrying out any work under a Long Term Agreement

The Notice of Intent

We must send you a Section 20 notice called *Notice of Intent* before we do any work that will cost you, or any other leaseholder affected by the work, more than £250; or the cost of a service will cost you, or any other leaseholder affected by the work, more than £100 per year.

We serve a *Notice of Intent* only on leaseholders affected by the works and not on all leaseholders.

This is only a 'one stage' consultation. We will only give you a *Notice of Intent* - there will be no other notices given to you about this work.

We will not invite you to nominate a contractor at this stage because we will have already done this in Schedules 1 and 2 (see above).

The notice must:

- tell you about the works to be done and tell you where and when you can see the specification for the work and get copies;
- explain why the work is needed;
- give you the total cost of the work;
- invite you to make comments about the work and tell you where to send those comments;
- tell you the last date you can give us your comments, which will be at least 30 days from the date of the notice.

We will consider any comment you make and we will write to you within 21 days of receiving your comments.

This will probably be the first chance we have to tell you what the estimated cost is for you. Although the notice doesn't have to include your estimated cost we will include it along with the total cost of the contract.

Schedule 4

Standard contracts

Sometimes we need to carry out work that is not included in any Long Term Agreement. We do this using a standard contract. Standard contracts are contracts, which last less than 12 months.

The law says when we use a standard contract, we need to consult you if the cost of the work to you, or any other leaseholder affected by the work, is more than £250.

When we consult you under Schedule 4

First stage: Pre-tender stage

Before we go to tender we must send you a Section 20 notice called *Notice of Intent*. We will serve the notice only on leaseholders affected by the works and not on all leaseholders.

The notice must:

- tell you what work is to be done or tell you where and when you can see the specification of work and get copies;
- say why we are going to do the work;
- invite you to comment on the works and where and when you must send your comments;
- tell you if you can nominate a person you want to price for the work or if you can't nominate anyone tell you why you can't nominate anyone;
- tell you the date that this part of the consultation ends, which will be at least 30 days from the date of the notice.

We will not be able to tell you how much you will have to pay at this stage - we will do that in the next notice (Award of Contract Notice – second stage). We will consider any comment you make and write to you within 21 days of receiving your comments.

Second stage: Tender Stage

Once we have tendered the contract and received prices back, we will prepare at least two proposals (these set out which contractors we intend to use and the work we plan to do). We will also prepare proposals for any contractor nominated by leaseholders or recognised tenants' association.

The law says one of the contractors we prepare the proposal for must not be connected with Tower Hamlets Homes or the Council.

The proposals must:

- tell you again what the works are;
- tell you the contractor's name and address;
- tell you if there is any connection between them and the council or us;
- give you your estimated cost;
- list a summary of comments made by leaseholders and our response to them.

We will then send you a Section 20 notice called a *Notice of Estimates*, which must include:

- copies of the proposals or details of when and where you can view them and get copies;

- give you the chance to make comments about the estimates and when and where you must send your comments;
- tell you the date this part of the consultation ends, which will be at least 30 days from the date of the notice.

We will consider your comments and write to you within 21 days of receiving your comments.

**Third stage:
Awarding the contract**

The law says if we do not choose the lowest price or any contractor nominated by a leaseholder or recognised tenants' association, we must issue you an *Award of Contract Notice*. The notice must:

- tell you why we have chosen the successful contractor, and;
- give you a summary of the comments we received about the notice of proposal and our response to them, or tell you when and where you can see them.



Where to get help and advice

This booklet is a brief guide to the Section 20 consultation process. If you want a full explanation of the law please think about getting your own legal advice.

LEASE



Address

Leasehold Advisory Service
Maple House
149 Tottenham Court Road
London W1T 7BN



Phone

020 7383 9800

Tower Hamlets Citizens Advice Bureau



Address

32 Greatorex Street
London E1 5NP



Phone

020 7247 1050

Tower Hamlets Law Centre



Address

214 Whitechapel Road
London E1 1BJ



Phone

020 7247 8998

Tonybee Hall



Address

28 Commercial Street
London E1 6LS



Phone

020 7383 9800

Legal Advice Centre



Address

University House
104 Roman Road
London E2 0RN



Phone

020 8980 4205

Frequently asked questions

We've listed some of the most popular questions asked about Section 20. If your question is not included in the list, please contact us and we will be happy to provide you with an answer. We may add your question to the list.

Q What is Section 20 all about?

A Because you have to pay towards the cost of any repairs, maintenance or improvements to the building your flat is in or the estate it is on, the Law says you have a right to be asked for your opinion about the work that is planned. Section 20 sets out the way we have to do this and gives you the chance to get involved and ask questions. If we don't do this, we will not be able to charge you the costs of the works.

Q Why are there so many notices?

A We have to follow the procedure set out in law. This means you will always get at least two notices and sometimes three. Each notice deals with a different part of the process and asks for your comments on each one.

Q Why are you using long term contracts?

A These are generally the cheaper way to get work done. They also give contractors a longer period of work, which helps keep their costs down and keep the same work force. This will also improve quality and the contractors get to know our buildings so understand the problems better.

Q Doesn't that give them work even if they are not very good?

A No, the contract is written to ensure that if a contractor is not giving the best service and good value for money we can end the contract. The contractor knows this so is keen to make sure that standards are kept high.

Q What happens to my comments?

A When you write to us with your comments we will take them seriously. We will try to make sure that we take on board what you say, or tell you clearly why we can't do what you ask. We will write to you within 21 days of receiving your letter. We will also include your comments in a summary of comments we receive

and our responses in the next notice we send.

Q What happens if I don't have any comments?

A If you do not have any questions or concerns about what is set out in the notice you do not have to write to us.

Q Why can't I suggest a contractor?

A If we have to serve a public notice you are not able to suggest a contractor to us. This is because the rules on contracts set out by the European Parliament apply and we have to advertise the contract across Europe. You could ask a contractor you know to look at the notice on the OJEU website and register their interest. They may be asked to tender.

Q My block doesn't need any work?

A If your block doesn't need any work we will not do anything. The Long Term Agreement contracts are set to run for a number of years and maybe at some point in the future work will be needed to your block and you will have been consulted about the contract.

Frequently asked questions (continued)

Q I want to do the work myself, as it's cheaper?

A The work we are consulting you about is to the common parts of the structure of the building, which is our responsibility to maintain. You have to maintain the inside of your property and we will not do anything inside or charge you for any work in tenants' flats.

Q What happens if I can't afford the works you are going to do?

A On behalf of your landlord (the Council) we have a duty to make sure your home is well maintained, safe and weatherproof. When we do works to your block or estate we know that not every leaseholder can afford to pay straight away and some leaseholders may need special help to spread the costs. We have special arrangements we can use if you have problems paying. We will not take action against you as long as you talk to us and agree a payment plan, which we will help you put together. But, we will take action if you simply do not pay and ignore our letters and our calls as this is unfair to other residents.

Q What happens if you haven't followed the correct procedure for consultation?

A We have taken steps to ensure that the procedure is clearly set out for staff and it is understood so this should not happen. But, if we did do something wrong we will do all we can to correct the mistake before we start the work. If we don't follow the process or we don't consult you when the law says we should, we are limited to how much we can charge you. You won't have to pay more than:
—£100 for works (Long Term Agreements)
—£250 for works (standard contracts)

In certain circumstances, we can ask the Leasehold Valuation Tribunal to give us permission to charge you the full amount - even though we haven't followed all the rules. This is called a "dispensation". A dispensation may be given when we have to do something urgently, like repair a lift, and we don't have time to consult you properly. Even in these situations, we still have to satisfy the Leasehold Valuation

Tribunal that we did all we could to consult you and you have not suffered as a result.

Q What happens if I want to challenge the costs, quality or need for the work?

A Talk to us first. We can probably resolve the matter between us. If we cannot agree then you can apply to the LVT. They will look at all the evidence and decide who is right and if you have to pay, and – if so - how much you have to pay.

Want to know more?

Here's how to find out more about the services we provide and what we can offer you.



Talk to your housing advisers

They can answer most of your questions or put you in touch with people who can.



Pick up our range of leaflets and publications

They give you more information on all of our services. You can find these in our reception areas, on our website or by contacting a housing adviser.



Read our service standards

They set out what we do so you know what to expect. We have a service standard for each of the services we provide. These are available on our website and in our offices, or you can ask a member of staff for more information.



Visit our website

You can find lots of information about what we do, how we are performing, and our latest news and information. All of our leaflets and publications are also available to read or print, as well as local information such as neighbourhood inspection timetables.



Check out your newsletters

They contain news and information about our service and are delivered straight to your door.



Look at your local noticeboard

It has information about your Neighbourhood Housing Team, neighbourhood inspection timetables and useful information for where you live.



Like us on Facebook

Our Facebook page has lots of up-to-date information on what we're doing and what events are going. Find us at facebook.com/towerhamletshomes



Follow us on twitter

Our twitter link is [@THHomes](https://twitter.com/THHomes)

Translations

This booklet is for Leaseholders and tells you more about Section 20 consultation process. It includes information about what the consultation involves, when we need to consult you and where you can get help and advice.

If you need help to understand it or have any questions, please contact us by telephone, email or visit one of our offices. We can arrange alternative formats including large print, and provide written information in your own language. We can also offer a meeting with a member of staff and interpreter.

Translations



Phone
020 7364 5015



Email
contactus
@towerhamletshomes.org.uk

Bengali

এই প্রচারপত্রটি লীজহোল্ডারদের জন্য প্রস্তুত করা হয়েছে এবং এখানে সেকশান ২০ কনসাল্টেশন প্রসেস সম্পর্কে বলা হয়েছে। এবারের কনসাল্টেশনে কোন কোন বিষয় অন্তর্ভুক্ত হবে, কখন আমরা আপনাদের সাথে কনসাল্ট করব এবং কোথায় আপনারা এ ব্যাপারে পরামর্শ ও সাহায্য পেতে পারেন সে ব্যাপারে এখানে বলা হচ্ছে।

এটি বুঝতে আপনার যদি কোন সাহায্য লাগে বা কোন প্রশ্ন থাকে তবে দয়া করে আমাদেরকে ফোন বা ইমেইল করুন অথবা আমাদের কোন একটি অফিসে আসুন। আমরা বড় ছাপা কিংবা আপনার নিজের ভাষায় লিখিত তথ্যসহ বিকল্প ফরম্যাটে তথ্য দিতে পারবো। এছাড়াও আমরা আলোচনার জন্য কর্মীদের কোন সদস্য এবং একজন দোভাষীর ব্যবস্থা করতে পারবো।।

Somali

Buugyarahan waxa loogu talo-galay dadka guryahoodi iibsadey, wuxuuna warfaafin kaa siinayaa section 20 shirarkooda. Waxa ku jira warfaafin ku saabsan waxa shirarka laga hadlaayo iyo halkaad ka heli karto caawimo ama talo.

Hadii aad u baahantahay in lagu fahan siiyo buugyarahan ama aad suaalo ka qabto, nagala soo hadal tilfoonka, emailka ama noogu kaalay xafiisyada mid. Waxaanu kuu sameyn kar naa buugyarahan oo far waaweyn ku qoran ama luuqadaada lagu turjumay. Waxa kalee aanu kuu sameyn karnaa shir qof kuu turjuma aanu kuu qabano.