



Decision to be taken on or after 12 December 2011

Ward: Mash Barn

Key Decision: No

Leasehold contributions for re-roofing of Monks Court, Lancing

Report by the Executive Head of Adur Homes

1.0 Summary

1.1 The purpose of this report is to seek approval for the reduction of leasehold administration charges for the above works.

2.0 Background

2.1 At Cabinet on 13th July 2010 it was agreed that:
“Where individual leasehold contributions were in excess of £5,000 for work, the apportionment and percentage fee of 10% be reviewed to more accurately reflect the administrative costs likely to be incurred by the Council”.

Any revision to the standard charge being reported to the Member for Improved Customer Services for an Individual Members decision.

2.2 Competitive tenders were sought for the following work at Monks Court, North Road, Lancing, comprising eighteen flats, six of which are leasehold homes.
(Nos 1,10,14,15,16,18)

- Roof deck Insulation, reroofing of flat roof & associated works

2.3 The lowest, valid and most competitive tendered bid for the contract was in the sum of £98,427 including ancillary work, contingencies & provisional items equating to £5,468.17 per flat.

2.4 As agreed by Cabinet on 13th July 2010 the administration charge for the contract has been re-assessed to reflect the specified work and associated administration charges as detailed below, resulting in a calculated revised fee charge assessment of 4.87%.

Given that the assessment also includes projected administration costs for the completion of the contract and billing processes it is considered that a charge of 5% for leasehold contribution is appropriate.

Tender figure	per leasehold flat			
	Estimated cost	Standard Administration Charge (10%)	Proposed Administration Charge (5%)	saving
£98,427.00	£5,468.	£546.80	£273.40	£273.40

Estimated total income for administrative charges from 6 leaseholders £1,640
(Subject to audited final account)

3.0 Proposals

3.1 It is therefore proposed that the newly assessed percentage of 5% be adopted for leasehold administrative costs for the contract

4.0 Legal

4.1 The Council has power under section 6 of the Housing Act 1985 to provide, repair & maintain houses for rent. Under Section 151 of the Local Government Act 1972 the Council has a duty to make arrangements for the proper administration of its financial affairs.

4.2 The Council has the power to recover costs from Leaseholders in accordance with the Commonhold & Leasehold Reform Act, under the terms and conditions set in individual leases and the Councils standard procedures and Policies.

4.3 The report confirms that these arrangements are being made.

5.0 Financial implications

5.1 Works will be funded from the approved Housing Capital programme with costs being recovered from leaseholders under the terms and conditions set in individual leases.

6.0 Recommendation

6.1 The Cabinet Member is recommended to:

- i) agree the revised leasehold percentage administration fee for the reroofing and associated works at 1-18 Monks Court be set at the recommended rate of 5%.

Local Government Act 1972

Background Papers:

- Cabinet: 13th July 2010 : Agenda item 6: 'Administration Charges for Leaseholders'

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1.0 Council Priority

- 1.1 The wide scope and impact of the housing capital investment programme provides a positive contribution to the following priorities set by the Council:
- To promote a clean, green environment.
 - To revive, regenerate and create lively economies.
 - To support and contribute to the health, safety and well-being of the area.

2.0 Specific Action Plans

- 2.1 To meet Government set decency standards for Council housing and to maintain the structure, fabric and facilities offered by the Councils' housing stock.

3.0 Sustainability Issues

- 3.1 Investment in housing makes a positive contribution to the Council's Sustainable/ Environmental objectives of resource use, energy and waste. Ensuring that there is a supply of good quality, affordable social housing in the District to set criteria and standards.

4.0 Equality Issues

- 4.1 As 3.1 above
- 4.2 Aspects of access & equalities have been considered at design stage of the project.

5.0 Community Safety issues (Section 17)

- 5.1 Consideration has been given during design and preparation of project to ensure that, where possible, the safety and security of homes are maintained.

6.0 Human Rights Issues

- 6.1 Matter considered and no issues identified.

7.0 Reputation

- 7.1 Matter considered and no issues identified.

8.0 Consultations

- 8.1
- Cabinet Member for Improved Customer Services
 - Executive Head of Adur Homes
 - Leaseholders: as required under the Commonhold & Leasehold Reform Act.

9.0 Risk assessment

- 9.1 Working and construction safety assessments are an integral part of project & programme management and are set out and defined for the contract.

10.0 Health & Safety Issues

- 10.1 Generally as for risk assessments above.

11.0 Procurement Strategy

- 11.1 The report and Procurement Strategy for the Housing Capital contracts adheres to the Adur District Council Constitution, Section 4 procurement rules, and meets the Best Value principles, including competitive tender procedures.

12.0 Partnership working

- 12.1 Matter considered and no issues identified.