

Extra ordinary Council

21st August 2023

Report of the Chair of the Corporate Scrutiny Committee

Matters referred to Council in accordance with the Overview and Scrutiny Procedure Rules

Exempt Information

None.

Executive Summary

The following Committee has referred the following matter to Council:

Scrutiny Committee	Title of Matter referred	Date of Scrutiny meeting
Corporate Scrutiny Committee	Leaseholder Service Charges	20 th June 2023

Background

This report provided an update on the current status of Leasehold Service charges following previous discussions at Committee.

At its meeting on 20th June the Committee received a report to update the Committee on the Leaseholder Service Charge.

The Council owns a number of flatted blocks across Tamworth within the Housing Revenue Account, many of these blocks contain flats that have been sold on a Leasehold basis under the Right To Buy. Under the terms of any lease there is a requirement for the Council in its capacity as the Freeholder to maintain the fabric of the building, also included within the lease is a requirement for the leaseholder to pay service charges to the Council to cover the cost of any repairs or renewals that take place.

There is a legal requirement for the Council in its capacity of the Freeholder to consult with Leaseholders prior to commencing any works that will result in a significant cost to Leaseholders. In order to comply with this requirement the Council carried out a formal procurement exercise that met EU and Public Contract Regulations [PC2015] requirements. Built into the procurement process were the first two stages of the formal consultation with Leaseholders as required by the Leasehold and Commonhold Reform Act.

Contracts were let following the procurement exercise at which point the Council commenced the issue of stage 3 notices to Leaseholders informing them of works that were being planned for their homes that would have a financial impact.

A number of stage 3 notices were issued to Leaseholders in relation to roofing renewal, it does not appear that any formal representations were made in relation to the notices, however after the timeframe for representations had passed a number of Leaseholders made contact with various Elected Members raising their concerns about the proposed works and the associated costs.

In response to these enquiries planned works to these properties were suspended to allow for further discussions to take place.

The committee sought clarifications in respect of various aspects of the report including the costs to leaseholders, effect on the Housing Revenue Account and the communications between Tamworth Borough Council and Leaseholders. The committee made the following recommendation as set out below:

RESOLVED: That this entire issue is referred to full council for a debate and make a decision how we are going to treat these vulnerable residents, and that Cabinet receives the recommendations arising from the debate and reports back to Council at the earliest opportunity.

(Moved by Councillor D Cook and seconded by Councillor R Claymore)

Options Considered

None

Report Author

Councillor D Cook
Chair of Corporate Scrutiny