

Home Ownership Policy

1. Aim

- 1.1 This policy outlines Onward Homes Limited (Hereinafter called “Onward”) and Contour Property Services Limited (Hereinafter called “CPS”), S4B (Hereinafter called “S4B”) approach to the management of its home ownership stock, and management of other stock where Contour are managing agent.
- 1.2 This policy is to read in conjunction with:
 - Legislation
 - Binding Tribunal Cases and / or general case law
 - Contractual Agreements (Lease / Transfers)
 - Regulatory guidance and good practice.
- 1.3 Our aim is to always provide a professional level of service which meets our residents need in the management of their homes.
- 1.4 The term “We” and “Our” in this policy means Onward, CPS and S4B, where applicable. The terms “homeowner”, “you” and “your” in this policy mean homeowners (including leaseholders, shared owners, and where applicable in some cases freeholders).
- 1.5 Where reference has been made to “lease”, this also refers to “transfers” where applicable in freehold transactions.

2 Scope

- 2.1 This policy is predominantly intended for shared owners and leaseholders who have acquired their property under Right to Buy or Right to Acquire and to those where Onward, CPS or S4B are managing agents.
- 2.2 Where we provide some services to freeholder’s relevant parts of this policy will apply.
- 2.3 This policy does not apply to any commercial leases.
- 2.4 This policy does not affect the terms of any contractual agreement (e.g. lease or transfer) between the parties. Where there is any conflict between the contractual agreements and this policy, the contractual agreement will take priority.

3 Legal & Regulatory Framework

- 3.1 We will always act in accordance with the contractual agreement, subject to any changes in legislation, tribunal cases, case law, and regulatory guidance.

4 Policy Statement

- 4.1 We will seek to manage our development, estates and blocks in line with contractual, legal and regulatory requirements, being mindful of relevant Government policies. We will take appropriate and proportionate action to ensure that all relevant parties comply with the terms of the lease and where applicable will take legal action to enforce those terms, ensuring that we always explain the grounds under which any action is being taken. We will provide services that offer value for money.
- 4.2 We will publish our service standards and report on our performance against them.

5 Customer Engagement & Consultation

- 5.1 We will acknowledge recognised Tenants Associations (hereinafter called "RTA") and Residents Management Companies who (hereinafter called RMC) where these have been set up in line with current legislation.
- 5.2 We may attend residents' meetings and the AGM of any recognised TRA / RMC when requested and where possible.
- 5.3 We may seek feedback from homeowners via surveys and through our Homeowners Forum.
- 5.4 Where necessary we will consult with or notify homeowners before carrying out major works in line with our consultation procedures and current legislation. The exception to this is emergency situations where a decision may be made to prioritise safety or maintaining services.
- 5.5 Where we are not required to formally consult homeowners, we will clearly communicate plans to carry out major or cyclical works or to enter into contracts and will engage homeowners as early as possible in the process.

6 Fees & Charges

6.1 Service Charges

- 6.1.1 We will apply variable or fixed service charges where applicable under the terms of the lease and will issue an annual service charge demand (estimate) within one month of commencement of the financial year.
- 6.1.2 Where applicable, we will provide end of year accounts no more than six months after the end of the financial year, detailing actual expenditure against the estimate. Deficits or surpluses will be applied in accordance with the lease. The way we will issue refunds or collect debits will be clearly communicated to homeowners.
- 6.1.3 We will appoint external accountants to provide service charge assurance, where required under the terms of the lease, and will recover the costs, from homeowners.
- 6.1.4 We will regularly review actual expenditure against the estimate throughout the year to ensure it remains largely to budget. We will communicate any large variances to RTA's and homeowners as required.

6.2 Rent & Ground Rent

- 6.2.1 We will increase shared ownership rents in accordance with the requirements of the lease unless there are other overriding rules or regulation which specifically require something different and compels us to comply. Rent is charged monthly and is payable in advance.
- 6.2.2 Any ground rent that is payable will also be demanded in accordance with the requirements of the lease. If we are charged ground rent by a superior landlord, we will recover this from the homeowner, unless otherwise varied by historical arrangement or other contractual conditions.

6.3 Management Fees

- 6.3.1 Our management fees cover the overheads associated with the delivery of services to homeowners and associated properties and estates. Where the lease specifies a cap on management fees, we will ensure that our fees do not breach this cap.

6.4 Administration Fees

- 6.4.1 Administration fees are charged for ad-hoc services that are not covered by the management fee, this includes late or missed payments fee. We will confirm whether a fee applies when homeowners enquire about a service.
- 6.4.2 We will charge a project management fee for planned and cyclical works to cover the cost of consulting, procuring and overseeing the works. We may also charge consultancy fees where applicable.
- 6.4.3 A full list of our administration fees is published on our website. Our fees are reviewed regularly to ensure they remain reasonable.

6.5 Payment Methods and Payment Options

- 6.5.1 We encourage homeowners to pay by Direct Debit and payments should be made on the 1st of the month, one month in advance. We will offer alternative payment methods where Direct Debit is not possible.

6.6 Reserve Funds

- 6.6.1 We will collect and hold funds to cover the cost of planned and cyclical works where the lease allows. Contributions will be calculated in accordance with our planned works programme.
- 6.6.2 Where the lease dictates a contribution on exit only, we may introduce a contribution to the service charge, where prudent, in consultation with homeowners.
- 6.6.3 Where there is no reserve fund or an insufficient sum is held to cover the cost of works, we will recover the balance due and / or may look to increase the charges to ensure the necessary funds are held for future works.

7 Lease Extensions, Assignments and Variations

- 7.1 In all cases the leaseholder must have a clear service charge account and will be liable to pay their own costs as well as our reasonable fees. Our fees apply whether or not the transaction is concluded.

7.2 Lease Extensions

- 7.2.1 We will consent to lease extensions in accordance with legislation and where the lease allows either via a formal or informal process. For homeowners that don't have the right to extend their lease under legislation, or where we do not hold the freehold, we may consider an extension on a discretionary case-by-case basis via the informal process.
- 7.2.2 We may also consider the sale of our freehold interest or superior leasehold interest for a property where we are not compelled to sell. Any sale will need prior approval of the Director of Housing and Home Ownership and the Director of Property Assets and Development.

7.3 Lease Assignments

- 7.3.1 We will respond promptly to requests to assign a lease and will ensure any costs incurred are appropriate and reasonable.

7.4 Deed of Variation

- 7.4.1 We will consider lease variations when appropriate where it is deemed necessary and is in the interest of both parties, in particular when a lease fails to make satisfactory provision for a matter outlined in Section 35 of the Landlord and Tenant Act 1987.

- 7.4.2 Where appropriate or where an agreement to vary the lease cannot be made by both parties, we may make an application for a determination via the First Tier Tribunal.

8 Homeowner Rights

8.1 Right to Manage

- 8.1.1 On receipt of a valid Right to Manage notice, we will work with the new RTM company to ensure a smooth transition and ensure fund balances are properly accounted for and transferred.
- 8.1.2 Where a landlord opts to appoint a new managing agent, we will work with the new agent to ensure a smooth transition and ensure fund balances are properly accounted for and transferred

8.2 Collective Enfranchisement

- 8.2.1 Upon receipt of an enfranchisement application, we will respond in accordance with the requirements of the Leasehold Reform Housing and Urban Development Act 1993 (as amended).

8.3 Right to Inspect

- 8.3.1 Upon receipt of a written Section 22 request, we will act to ensure that the request is complied with as per legislation and will issue documents in line with our current procedure.

9 Sales & Resales

- 9.1 In all cases the leaseholder will be liable to pay their own costs as well as our reasonable fees. Our fees apply whether or not the transaction is concluded

9.2 Staircasing

- 9.2.1 We will process applications for the purchase of additional shares by Homeowners in an efficient and prompt manner, in accordance with the terms of the lease and current legislation.

9.3 Resales

- 9.3.1 Where legislation stipulates that a nomination period applies when a homeowner wants to sell their home, we will review each sale on a case-by-case basis. Where we do not want to use the nomination period this will be confirmed in line with our resales procedure.
- 9.3.2 We will allow “back-to-back” staircasing for those shared owners who wish to sell 100% of the value of their property on the open market (if the lease allows it). In all cases of “back-to-back” staircasing the value of the property must be determined by an accredited surveyor of the Royal Institute of Chartered Surveyors (RICS).

10 Death of a Homeowner

- 10.1 When we are notified of the death of a homeowner (s) we will act sensitively and allow the family a reasonable amount of time to deal with the estate of the deceased. We will work with the executor of the estate or legal representative to ensure that the resale or assignment process is as smooth and quick as possible.

11 Permissions

- 11.1 The lease determines whether permission is required for specific activities and we will act in accordance with the lease, current legislation and our current procedures in relation to all such requests. Where the lease permits, we will always seek to recover our reasonable administration fees for processing permission requests. All requests for permission must be made in writing.
- 11.2 Any homeowner who fails to seek permission in line with the terms of their lease may be in breach of the lease and we reserve the right to take appropriate legal action to remedy the breach. A homeowner may seek retrospective consent, however higher fees will apply, and consent is not guaranteed. We will not unreasonably withhold our consent for a permission request. Any exclusions or specific requirements will be expressly detailed in our procedures.
- 11.3 Subletting
 - 11.3.1 Where a lease expressly prohibits subletting but the leaseholder can demonstrate that exceptional circumstances apply, we may consider an application on a case-by-case basis.
 - 11.3.2 Consent for short term lets such as “Airbnb” will not be permitted.
- 11.4 Alterations and Improvements
 - 11.4.1 Request for alterations also applies to works to be completed by a Local Authority with a Disabled Facilities Grant.
- 11.5 Pets
 - 11.5.1 Where the lease prohibits the keeping of any or specific types of pets, we will not grant permission for a pet to be kept and will require that any pet already in the home is re-homed. A reasonable amount of time will be allowed to allow the homeowner to re-home the pet.
 - 11.5.2 We will not grant permission for any banned breed under the UK’s Dangerous Dogs Act 1991 or any dogs with the physical characteristics of these breeds.

12 Management Services

- 12.1 Inspections and Estate Management
 - 12.1.1 We will carry out regular visits to site to check to ensure the upkeep of the areas we are responsible for maintaining and to check for any health and safety issues. The frequency of visits are determined by the requirements of the scheme and are specified in our Homeowners Handbook:
 - 12.1.2 We will undertake day-to-day repairs that we are responsible for under the terms of the lease in a timely manner using a schedule of rates.
- 12.2 Planned and Cyclical Work
 - 12.2.1 We will maintain 30-year plans and will review them every 5 years, undertaking stock condition surveys as needed, to ensure that service charges are set accurately. Plans will be shared with homeowners as required and where a significant change to the programme is proposed.
 - 12.2.2 All works undertaken will be in accordance with the terms of the lease and works which require Section 20 consultation will be dealt with in line with legislation.
- 12.3 Improvements

12.3.1 Where we are undertaking works, we will consider the need to improve existing systems and services; and where the need can be justified, we will carry out improvements. Where a lease does not include an improvement clause, we will replace those items with like for like unless the item is obsolete.

12.4 Compliance

12.4.1 We will ensure compliance with our landlord obligations for health and safety by carrying out regular checks, servicing and maintenance in relation to fire safety, electrical safety, communal water supply and mechanical equipment such as lifts. We will comply with all current legislation including the Building Safety Act, Fire Safety Act, Health and Safety Act and any other subsequent legislation to ensure the safety of homeowners.

13 Insurance

13.1 Where required under the terms of the lease, we will provide block building insurance cover for all of our leasehold blocks of flats and shared ownership houses, unless there are contractual terms in place that require otherwise. We will provide homeowners with details of the insurance on request.

13.2 We will insure the building and communal areas and recover the costs from homeowners. We do not provide contents insurance cover, and homeowners should ensure they have sufficient contents cover in place.

14 Breaches of the Lease

14.1 It is the homeowners responsibility to read and understand their lease to ensure they do not breach any of the terms. Where we identify a breach of lease, we will contact the homeowner (s) in the first instance and request that they remedy the breach within a defined timeframe.

14.2 If the breach is not remedied within the specified timeframe, we reserve the right to take legal action which may include seeking an injunction and as a last resort applying for forfeiture of the lease. Should we decide to commence forfeiture proceedings we will also contact the Mortgage Lender (If applicable) and notify them of the pending court action.

14.3 Fees may be applied to cover the cost of staff time in addressing any breach of lease. We will always seek to recover any legal fees associated with addressing breaches of lease which are at the subject of the court's discretion.

14.4 We will take legal action to secure arrears where appropriate and in line with the Income Management Policy and Bad Debt Policy.

15 Exceptional Circumstances / Hardship

15.1 We understand that some homeowners may face financial hardship. Where appropriate we will refer customers to external agencies for advice and support and may offer repayment arrangements based on individual circumstances.

16 Complaints

16.1 We will aim to address any dissatisfaction with services informally. However, where a homeowner makes a formal complaint, this will be addressed under the Complaints Resolution Policy.

- 16.2 Where appropriate homeowners will be given the details of the First-Tier Tribunal to request a determination.

17 Responsibility and Monitoring

- 17.1 The Director of Housing and Home Ownership is accountable for ensuring this policy is legally compliant and reviewed and updated as required. The Head of Homeownership is responsible for producing the policy, ensuring it is implemented and work practices throughout the organisation are compliant with the policy.

18 Legislation/Regulations

- 18.1 This policy complies with the following relevant legislation:
- Landlord and Tenant Act 1985 (as amended by S151 of the Commonhold and Leasehold Reform Act 2002)
 - Landlord and Tenant Act 1987
 - Leasehold Reform Housing and Urban Development Act 1993 (as amended)
 - Leasehold and Freehold Reform Act 2024
 - Leasehold Reform Act 1993 (as amended by the Commonhold and Leasehold Reform Act 2002)
 - Service Charges (Consultation Requirements) (England) Regulations 2003
 - Fire Safety Act 2021
 - Leasehold Reform (Ground Rent) Act 2022
 - Building Safety Act 2022
 - Health and Safety Act 1974
 - UK Dangerous Dogs Act 1991

Linked documents:	Bad Debt Policy Complaints Resolution Policy Income Management Policy Major Works – Payment Policy Major Works Procedures
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