

Your Ref: **Property Ref**

Our Ref: HOS/INSURANCE/JUNE2017



Name / THE CURRENT LEASEHOLDER(S)
Address 1
Address 2
Postcode

29 June 2017

PROPERTY ADDRESS: **ADDRESS 1, ADDRESS 2, POSTCODE**

Dear **Name / THE CURRENT LEASEHOLDER(S)**

Re: Renewal of Leaseholders' Buildings Insurance Contract

Notice of Intention to enter into a long-term agreement subject to public notice

Section 20 of the Landlord & Tenant Act 1985 (as amended by section 151 of the Commonhold & Leasehold Reform Act 2002) and Schedule 2 (Regulation 5(2) of the Service Charges (Consultation Requirements) Regulations 2003)

In accordance with Section 20 of the Landlord and Tenant Act 1985 as amended by the Commonhold and Leasehold Reform Act 2002, landlords are required to give notice to leaseholders and recognised tenants associations of the Landlord's proposal to enter into agreements described in the Act as "qualifying long term agreements". These are agreements entered into by or on behalf of a Landlord for a term of more than twelve months. This definition would cover the agreements that the London Borough of Lambeth ("**the Landlord**") proposes to enter into, which are described below.

The Notice:

- Provides a description of the relevant matters of the agreement
- Tells you why it is required
- Invites your observations in writing within 30 days
- Gives you our contact details

Description of goods, services

London Borough of Lambeth
Housing Services

Telephone: 020 7926 6700
Email: HMHomeOwnership@lambeth.gov.uk

Lambeth Town Hall
London
SW2 1RW

Website: <https://housingmanagement.lambeth.gov.uk>

The Landlord, proposes to enter into a qualifying long term agreement for a buildings insurance policy for leaseholders. It is proposed to appoint the contract on a five year long-term agreement, procured by bedroom size on a like-for-like cover basis, continuing the insured risks the current policy covers.

Examples of the insured risks covered by the policy (subject to any specified exclusions or conditions) include:

- Fire smoke lightning explosion earthquake
- Storm and flood
- Escape of water or oil from fixed systems
- Riot and civil commotion
- Malicious damage
- Theft or attempted theft
- Subsidence heave or landslip
- Impact
- Falling trees or aerials
- Accidental damage
- Terrorism
- Property Owners Liability

A fuller description of the insured risks and exclusions can be found in the current building insurance policy, which is available on the Council's website on www.lambeth.gov.uk (search 'Insurance Service').

Reason for entering into agreement

The Landlord is obliged under the terms of the lease to insure the building. The current long-term agreement with NIG will be expiring on 31 March 2018. By entering into a long term agreement we will get better value for money for leaseholders. The tender will allow the council to approach the insurance market and test it, to ensure the best terms are obtained for all leaseholders. Being part of the Insurance London Consortium it is proposed that a joint tender with the other eight boroughs is used for the benefit of leaseholders.

Under the consultation regulations you do not have the opportunity to propose the name of a person or company from whom we should try to obtain an estimate for providing this service. This is because public notice of the works is to be given, and instead an advertisement will be published in the Official Journal of the European Union for suitable contractors to bid for the contracts.

How to make observations about this proposed long-term agreement

We invite you to make observations in relation to the proposed agreement within the relevant period. Any observations must be made in writing and delivered to the address below by the 29 July 2017, which is 30 days from the date of this notice when the consultation period ends.

You can submit your observations via the following methods:

- Online via our E-Form: <https://housingmanagement.lambeth.gov.uk/written-obs---sec-20>
- Email the Section 20 Consultation Team at: HMhomeownership@lambeth.gov.uk
- Post Observations to the below address:

Section 20 Consultation Team
Housing Services
Lambeth Town Hall
London
SW2 1RW

Subsequent to the receipt of the tenders, we will send you a further notice of the Council's detailed proposal in accordance with the Regulations which will inform you of the proposed contractor and provide you with a further opportunity to be consulted about the proposed agreement.

Selling Your Home

You should keep these documents in a safe place, and if you sell your home they should be passed on to your solicitor. In cases where the ownership of the property changes hands during the consultation procedure, it is important that this statutory notice is disclosed to the purchaser. It is reasonable to expect that the new leaseholder has received copies of this documentation from the vendor. It is not necessary for Housing Services on behalf of the London Borough of Lambeth to re-start the consultation process.

Yours sincerely,

K. Kellaway

Karen Kellaway
Leasehold Manager
London Borough of Lambeth
Lambeth Town Hall
Brixton Hill
London
SW2 1RW
Tel: 020 7926 6521