

A Guide to Your Lease

The Content of the Lease

This is a guide to the standard council lease. It describes the main sections of the lease and what they contain and what they mean to you as a leaseholder.

If you want a copy of the actual lease for your property you can purchase one by contacting Home Ownership Services

Email homeownership@islington.gov.uk

Telephone 020 7527 7715

The lease is divided into four parts main parts as follows;

- **Preliminary matters:** this section includes definitions of some of the key terms of the lease.
- **Tenant's covenants:** what you agree to do and not do as a leaseholder of the council
- The lease uses the term “tenant” instead of “leaseholder” because in legal terms a lease is a form of tenancy.
- **Landlord's covenants:** what the council agrees to do as your landlord
- **The Schedules:** these set out the rights granted to you and those the council has kept for itself. They also set out the services for which the Council as landlord can ask you to contribute to by way of a service charge.

1. Preliminary Matters

Leases granted on or after 19 June 2006 are required by law to contain a standard set of clauses at the beginning of the lease in order for it to be accepted by the Land Registry. They are designed to set out the main terms of the lease at a glance at the beginning of the document.

Date of Lease – The date will be the date on which the flat was bought under the Right to Buy from the council. Note this is not the same as the date on which the lease **term** begins. See below.

Parties: To avoid repeating the names of the individual parties throughout the lease it is standard practice to refer to the parties as the Landlord and Tenant. The Landlord will be given as the Mayor and Burgesses of the London Borough of Islington, which is the council's formal title, and the Tenant will be the person or persons who originally bought the flat from the Council under the Right to Buy.

Demised Premises/Property: This will give the address of the flat, together with a note of the floor(s) in the building on which the flat is located. Your flat will be shown edged in red on the plan attached to the lease. Any garden land belonging exclusively to the flat will be drawn edged green on the plan.

Building/Estate: This will give the address of the building that your flat forms part of and, if appropriate, the estate on which it is located. These definitions will be used to determine your service charge contributions to services used in common with other occupiers of the building/estate.

Term: This is the length of the lease and is how long you own the flat for. Usually the lease will be for a term of 125 years.

Commencement of Term: This is the date on which the **Term** began. For properties purchased up to 31st May 2014 the commencement date will be the date on which the first flat in the building was sold. From 1st June 2014 all new Right to Buy Leases will be for 125 years regardless of the date that the first flat was sold within the block.

The council also uses the standard practice of starting all leases on a date known as a quarter day. So your lease will begin on one of the following dates: 25 March, 24 June, 29 September or 25 December.

Discount Period: This is the period during which the leaseholder has to repay to the council on the sale of the flat some or all of the discount received when the flat was bought under the Right to Buy scheme. The period is 5 years from the date when the property was bought under the Right to Buy.

The discount will only have to be repaid if the flat is sold for a sum of money to someone who did not originally buy the flat from the council.

2. Tenant's Covenants

This part of the lease sets out your obligations and the things you must do or not do as a leaseholder. These include:

- You must pay your yearly rent (usually £10) also known as a ground rent.
- You must pay service charges. This is a reasonable share of the costs of the upkeep of the building, common parts and any of the communal areas and facilities of the building and/or estate of which your flat forms part.
- You must pay an insurance premium: this is the cost of building insurance for your flat, covering repair and rebuilding costs in the event of damage.
- You must keep the inside of your flat including all pipes etc. used only for the benefit of your flat in good repair and properly cleaned. The council does have the right to inspect your flat to make sure you are doing these repairs etc. and can do them at your expense if you do not.

- You must allow the council, its agents, other leaseholders, and workmen access to your flat to carry out repairs necessary to your or other flats or common parts in the building.
- You must use your flat only for residential purposes.
- If you bought the flat from the council under the Right to Buy scheme, with a discount, and you sell the flat within the Discount Period, then if the council requires you to repay part of the discount you must do so, except in limited circumstances.
- If you or anyone you ask into your flat damages your home, the building, or the estate you must pay the council's costs of repairing the damage caused.
- You must tell the council within one month if you have mortgaged, remortgaged or sublet your home
- You must not cause a nuisance to your neighbours.
- You must get the council's consent to bring any flammable fuel or /liquid such as calor gas into your flat.
- You must pay the council's costs of issuing its consent (for example, to carry out alterations), or serving any notices required by the lease.
- You must not make any structural alterations or additions to your flat or the building without first getting the council's consent.
- You must not put up any external aerial or dish, or any sign which can be seen from the exterior.

This will not be enforced for any external aerial or dish, provided you have obtained permission to put one up

- You must have suitable floor coverings in your flat to stop noise nuisance to your neighbours

3. Landlord's Covenants

This part of the lease sets out what the council must do as your landlord. This includes:

- Insuring your flat and the building against loss or damage by fire and other risks.
- Repairing damage to your flat or the building caused by risks that have been insured against.
- Maintaining and improving the structure of the building, keeping it clean and handling any repairs.

The structure includes –

- ❖ The roof
- ❖ The foundations
- ❖ Brickwork
- ❖ Balconies

- ❖ Communal doors, windows, stairways and entrance halls
- ❖ Communal heating and hot water systems
- ❖ Communal sewers, drains, gas and water pipes and electric cables
- ❖ Lifts
- ❖ Communal aerials
- ❖ Communal security systems

4. The Schedules

This part of the lease is divided into three schedules as follows:

The First Schedule

This sets out the rights the lease gives you including:

- The right to receive water, electricity and gas etc. through the pipes and cables serving the building
- The right to enter adjoining flats or the common parts of the building to carry out any repairs for which you are responsible.
- The right to use communal areas of the building and the estate, if applicable

The Second Schedule

This sets out the rights the Council keeps for itself, which include

- The right to re-build, alter or develop its adjoining or neighbouring land or buildings or to use them in any way it likes regardless of the effect it may have on your flat.
- The right to alter your rights as set out in the First Schedule provided that reasonable alternatives are available.
- A right to enter your flat.

The Third Schedule

This schedule is divided into three parts and sets out the services the council will provide and for which you contribute your share of the costs through your service charge.

- Part 1 sets out services and costs in relation to the building.
- Part 2 sets out services and costs in relation to the estate
- Part 3 sets out administrative charges and costs incurred by the council in managing its leasehold properties such as billing service charges etc.

This factsheet is only a guide. You should get independent advice rather than rely on this factsheet in the event of any dispute or legal proceedings. You can get advice from the government- funded Leasehold Advisory Service, LEASE:
www.lease-advice.org