

# Improvements and Alterations Information for residents

## Permission and the Lease

If you are planning on undertaking an alteration or an improvement in relation to your leasehold property you should contact Notting Hill Genesis as your Landlord to notify us of your intentions. The stance taken in response to the consent by Notting Hill Genesis will be dependent upon the terms of the lease for the property and may also rely on the extent of the works that you plan to undertake.

The Officer responsible for the property will need to assess whether or not permission can be granted under the lease, who permission should be granted by and if there is a reasonable basis on which the permission should be withheld. The Officer will acknowledge the receipt of the application within five working days and will keep you up to date on the next steps.

Notting Hill Genesis will not withhold permission unreasonably where it is the landlord capable of providing consent. If permission is additionally or instead required from another Landlord the leaseholder must take full responsibility for that process as well as the payment of any additional costs they might require.

# **Provision of Information**

Notting Hill Genesis will rely on you as the leaseholder to provide information about your intended alterations or improvements before considering permission. You will be asked to complete a questionnaire about the works you plan to undertake.

You will be asked to provide further information if the intended works affect the structure of the building, are extensive or require planning permission or involve building control. We may also ask for extra information if this will assist us in granting permission.

# **Fees for Consent**

Notting Hill Genesis will apply an administration fee to process your application for alterations / improvements. The fee is non-refundable regardless of outcome.

Please speak to your Officer to confirm which fee is relevant for the alterations/improvement works you are applying to undertake. Although circumstances may vary, a complex home improvement will generally be considered one in which intended works affect the structure of the building, are extensive or require planning permission building control approval.

Please be aware that if a surveyor needs to review your application, you may also need to pay their additional fees to assess the application and for any subsequent inspection required. There may also be legal costs and fees involved dependent on the size and scale of the alterations or improvements you wish to make. For instance, if a Deed or License is required in respect of the alterations further legal costs will also be payable.

All charges are payable in full and the fee that is payable for each service is listed on our schedule of Administration Fees.

# **Obligations and Liabilities**

The following conditions must be met by leaseholders in applying for consent

- Permission must be applied for and obtained in writing before starting works.
- The leaseholder must provide all the requested documentation to support their application for consent to alter / improve.
- The leaseholder will be responsible for obtaining planning permission and / or building regulation approval and providing documentation.
- The leaseholder will be responsible for all costs including administrative approvals and surveying supervision.
- The leaseholder is liable for any damage caused during installation, subsequent maintenance or removal of the fittings / fixtures.
- The leaseholder retains all responsibility for maintenance.
- The leaseholder may be required to obtain adequate insurance cover for the works (as specified by Notting Hill Genesis).
- The leaseholder may be required to indemnify Notting Hill Genesis for any extra expense caused by a contractors' negligence, bad workmanship or failure to complete the contract.

Consent for alterations will also be issued subject to a 'code of conduct'. All residents and contractors working on a Notting Hill Genesis development will be expected to adhere to the agreed standards to ensure works are undertaken safely, professionally and with the minimum of inconvenience to other residents.

## **Re-Sale & Staircasing for Shared Owners**

When alterations or improvements are carried out, these become fixtures and are then treated as part of the property so cannot be removed and take with you if you leave or sell the property. This means that they must be accounted for in valuing the property for the purposes of staircasing or a shared ownership resale to ensure that the landlord does not benefit from improvements made by the leaseholder. However, the method of apportioning value is different for each transaction.

Still, as in any valuation of assets, the market value ascribed to the improvements is not the same as the cost of the works or their perceived value to the leaseholder but is independently assessed by an independent RICS accredited surveyor. The value of all such works will diminish over time and in a small number of circumstances might even devalue a property.

Please read below for further information on how these improvements are considered and valued when you staircase or sell.



IMPROVEMENTS AND ALTERATIONS REQUEST FORM		
Name		
Property Ref		
Address		
Description of works to be undertaken, drawings/sketches, and expected duration		
Contractor to be appointed		
(any relevant accreditations and qualifications need to be included in order to obtain approval, e.g., NICEIC approved electricians for Electrical works, Gas Safe Engineers for Gas works, HSE registered contractors for Asbestos works)		
Relevant insurance certificates for all contractors involved including Public Liability Building (a simple proof of insurance is not sufficient – NHGO requires the full summary of the cover and the statement of facts)	(please attach relevant documents)	
contractors involved including Public Liability Building (a simple proof of insurance is not sufficient – NHGO requires the full summary of the cover and the	(please attach relevant documents)	

Specifications of any new fittings Building Regulations and Planning Permission (If planning permission is required consent will not be given until proof of the planning permission is submitted in writing) Engineer's calculations Details of your home	<ul> <li>I have not contacted the Building Regulations or Planning Dept</li> <li>The Planning Dept have confirmed I do not require Building regulations approval or planning permission</li> <li>I have applied for Building Regulation Approval / Planning Permission and await their response</li> <li>I have received Building Regulation Approval / Planning Permission for the intended works</li> <li>Other (please provide details)</li> <li>To be provided only if the work includes any structural works (please attach)</li> </ul>
Describe the size and type of property (e.g. 3 <sup>rd</sup> Floor, 2 bed flat)	
No of people living in your home	
Do you have a garden? If yes is it shared with your neighbour(s)?	

Signature..... Date.....

N.B. for this form to be processed the administration fee required must also be paid

It is sufficient to provide these details by email or letter provided they are complete



## **Code of conduct – improvements and alterations**

Once permission has been obtained all leaseholders undertaking alterations / improvements will be expected to:

- Give reasonable notice to neighbours in advance of starting works and in respect of any noise / disruption arising from the intended works.
- Make advance arrangements with the Officer with regard to the carriage of equipment through the communal areas in order to achieve the minimum amount of disruption and damage.
- Make advance arrangements with the Officer with regards to any possible impact of the works on fire safety strategy / equipment within the building (e.g. deactivate / reactivate smoke alarm systems in the demise which are linked to a communal system).
- Make suitable arrangements for the storage of items within the demise **no** items may be stored / kept in the communal areas of the building.
- Make suitable / alternative arrangements for the disposal of debris and rubbish arising from the works. There must be no negative impact on the communal refuse facilities for the building.
- Keep all the communal areas clean and tidy throughout the works.
- Notify Notting Hill Genesis in the event of any delays or problems affecting the progression of works or any damage arising which may affect the Landlords fixtures and fitting, the building structure or a neighbouring property.
- Carry out works between the hours of 8.30am 5.30pm Monday to Friday and from 8.30am – 12.00pm on Saturday only (where times are not otherwise specified in the lease).
- Notify Notting Hill Genesis if the works deviate from the approved plans and a different contractor is appointed.

## Home improvement valuation for shared owners

To be eligible for inclusion as a home improvement when selling or staircasing, the following must apply:

- The building must be at least 5 years old
- Works must have been undertaken by yourself within your demised space
- Works cannot have altered the buildings common areas or structure

If you sell your home or staircase, the value of any improvements you have carried out will be determined by an independent RICS accredited surveyor. Only improvements which we have consented to may be considered. It is also important to remember that the surveyor will assess the amount of value the improvement has added to your home, rather than the amount that it cost to make the improvement. The list below will assist you to work out if your planned alteration will be considered as a home improvement when you sell or staircase.



## Permission for Improvements

Under the terms of most leases it is necessary to seek permission from the freeholder prior to making improvements. If necessary you must provide evidence of consent. Unfortunately, if permission has not been granted for any improvement where necessary it cannot be taken into account when redeeming an equity loan, selling the property or buying extra shares during staircasing.

If the improvements are to be considered, you must obtain retrospective consent. Please be aware that obtaining retrospective consent can be a lengthy procedure and should be sought well in advance of commencing a sale or staircasing.

## **Replacement of Fixtures & Fittings**

Please note that the improvements become part of the fixtures and fittings of the property and cannot be removed when the property is sold. The replacement of fixtures and fittings like for like will not be considered a home improvement as these are considered maintenance and repair of the property.

For example, if your old bathroom suite is replaced like for like with a new one, this is not considered an improvement. However, if something is added that was not previously there, such as a shower or under floor heating, these are considered an Improvement.

#### Changes to the lay out of the property

In general, alterations to the layout of a property are not considered an improvement. Only under special circumstances, if the surveyor deems the alteration of the layout has added value, will this be accepted as an improvement provided the relevant legal requirements have been met.

#### Depreciation

When a property is valued with improvements we assume that the value of the improvements will depreciate over time so that the value of a home improvement given in a valuation will reflect only the uplift in value that the works add at the time of assessment. As a rough guide we would assume that an improvement would depreciate in value by 10% every year. For example by the tenth year the value of the improvement would stand at £0.00.

#### **Further Information**

Overleaf is a list of typical improvements which will be considered an improvement when selling or staircasing.

Please remember that only a RICS registered surveyor can determine whether or not an improvement has added value to a property. Unfortunately some alterations considered an improvement may NOT add any value to the property.

If you are unsure if the works you are planning will be regarded as an improvement or repairs/maintenance please contact us on 0203 815 2407 or via email at legaladmin@nhg.org.uk

## **Re-selling**



If you are selling your share, improvements are treated as part of the demised property. This means that the value added by your improvements will form part of the total market value determined by a valuer.

This being the case, when you sell you will receive your share of the total market value of the property which for this purpose will include the independently assessed value of any improvements that you have made.

For example:

Property value:	£255,000
Improvement value:	£5,000
Total Market value:	£260,000
Your share:	50%

On sale, you would receive £130,000 (50% of the total market value including the improvement)

#### Staircasing

However, if you are staircasing then the independently assessed value of your improvements will be deducted from the market value so that you will buy additional shares in your home at the unimproved value.

For example:

Property value:	£255,000
Improvement value:	£5,000
Total Market value:	£260,000
Your share:	50%

If you wished to purchase an additional 10%, taking your share to 60% That additional 10% share would cost £25,500 (10% of £255,000)

For a staircasing, the value of the home improvement must be recorded as a separate figure in your surveyors report and details of the home improvements listed. For example, if the property is valued at £260,000 and includes £5,000 of improvements then the unimproved value of the property is £255,000.

Item of work	Is this considered an Improvement?	Comments
Existing central heating boiler replaced	No	Like for like replacement is not considered to be an improvement
New central heating system installed	Yes	Considered an improvement if no previous central heating existed
Existing kitchen cupboards replaced	No	
Extra cupboards added to the kitchen	No	
Replacement of the whole kitchen	Yes	N.B. Depreciation of value applies
Integrated appliances added to the kitchen	No	
Existing tiles in the kitchen replaced	No	
Install new extractor fan or hood in the kitchen	No	
Part of the bathroom suite replaced	No	
Extra wall tiling added to the bathroom	No	
Redecorating your home	No	
Replacing floor coverings (carpets, wooden floors etc)	No	
Replacing double glazed windows	No	
Loft Conversion	Yes	If relevant permission and lease variations have been granted
Conservatory	Yes	If relevant permission and lease variations have been granted
Extension to the exterior of the building	Yes	If relevant permission and lease variations have been granted

Replacing non double glazed windows with double glazed windows	Yes	If carried out by the lessee and not part of a cyclical works program
Addition of a garage	Yes	If relevant permission and lease variations have been granted
Complete bathroom refurbishment / replacement	Yes	N.B Depreciation value applies
Internal Door replacement	No	
Fitted wardrobes	No	
Existing taps replaced	No	
Adding balcony or patio doors to the garden	Yes	If relevant permission and lease variations have been granted
Adding alarm system/CCTV	No	
Existing fuse box replaced	No	
Alteration of layout of flat (e.g. removal/addition of walls)	No	Only in limited circumstances. See above
Sound Proofing	No	
Garden Landscaping	No	
Addition of a Summer house/greenhouse or other garden structures	No	
Sheds	No	
Lease extension	No	
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N.B. This list is not exhaustive.