

## Glossary of terms

We have developed a Glossary of Terms to explain any unfamiliar words and phrases contained in our customer guides and correspondence.

Assignment Fee	
Cost of living	The amount of money that people need to spend in order to buy basic goods or services such as food, clothes, and a place to live. When the cost-of-living increases, people may find it harder to afford these essentials
Communal or common areas	Communal or common areas are parts of the building and grounds that are shared with other residents and not specifically granted to the Leaseholder in the lease, but to which there are rights of access, for example a shared garden or internal walkways.
Consultation	This is the process S4B will go through to tell Leaseholders about proposed works or long-term contracts for services where the costs are above a financial threshold. Some of this process is legally required (Section 20) and some is good practice.
Cyclical Maintenance	Work that is carried out regularly every 1 – 7 years such as repainting of communal areas
Deed of Covenant	
Deferred repayment	S4B may allow an extended time to repay service charges for planned works where they are expensive, and the Leaseholder is unable to repay immediately. Generally, S4B will assess the financial circumstances and affordability of each Leaseholder applying for extended time and tailor a solution from a range of options.
Deficit	An amount that a leaseholder owes at the end of the financial year when the accounts have been checked and verified
Estate Charges	Charges, usually paid by Freeholders, for the management and upkeep of estates and surrounding areas
Equitix	Equitix are a global investment company, they are part of the S4B Consortium
First Tier Tribunal (FTT)	At an FTT, an independent body will determine the reasonableness of fees and charges. Fees apply for this service and costs may be incurred.
Ground Rent	This is rent paid by the leaseholder to the Freeholder for the land on which the property or building sits
Insurance Policy Excess	the first part of the claim which the policyholder agrees to pay
Landlord	The person who owns the property. In leasehold terms, the landlord is also known as the freeholder or lessor.

Landlord and Tenant Act 1985	The original act of Parliament (as amended by the Commonhold and Leasehold Reform Act 2002) that sets out what a service charge is and how it should be arrived at. For example, it must be reasonably incurred.
Lease	A legally binding contract between the Leaseholder and the owner of a property (Freeholder) giving conditional ownership of the property for an agreed time.
Lease Extension	All leases have an expiry date (term) the closer you get to the expiry date the harder it is to get a mortgage or sell the property. At this point you may want to consider extending the expiry date. There are costs associated with this
Lease Term	The number of years until your original lease expires. This will be shown on your lease document and is usually 125 years from the date the lease was first granted
Life Cycle Programme	This is the Council's 10-year plan, "Our Manchester 2025-2035," which outlines an ambitious vision for the city's future. This plan includes initiatives focused on improving residents' lives, creating vibrant neighbourhoods, and achieving a zero-carbon city by 2038.
Long-term agreement	An agreement entered into by the Landlord with a Contractor for a period of more than 12-months, where the costs payable by a Leaseholder exceed a threshold amount (currently £100) in one year.
LPE1 or FME1	This is a standard form that we complete whenever you choose to sell your flat (LPE1) or House (FME1) we charge a fee for completing these forms
Management Fee	A fee added to your service charges to cover the costs associated with managing, maintaining, repairing, insuring and providing services to your block and estate.
Manchester City Council (MCC)	Manchester City Council are the Freeholders of the properties in Brunswick they are part of the S4B consortium and monitor performance against the contract
Mears	Mears Group provide housing maintenance service. They are part of the S4B Consortium and deliver repairs and maintenance to the S4B estate under a qualifying long-term agreement
Onward Homes	Onward Homes is a Registered Provider (RP) of Social Housing. Onward Homes is part of the S4B Consortium and acts as a Managing Agent, managing the estate services for tenants and residents
Peppercorn Rent	Peppercorn rent is a nominal or token rent payment paid by a leaseholder to the freeholder for the land on which the property or building sits.
PFI	Private Finance Initiative –public sector projects where works are financed initially through the private sector and

	paid for by the public sector over a longer term. This allows large scale investment such as new build houses, refurbished houses and new infrastructure to be delivered. A PFI contract was signed between Manchester City Council and S4B in December 2013 and will expire December 2038
Planned works	Planned works take place alongside everyday maintenance and repair to keep the building in a habitable condition as defined by your lease. Where works to a block will cost any Leaseholder over a set financial threshold, the Landlord must consult with Leaseholders. The current financial threshold is £250 for work.
Project Management Fee	A fee to cover S4B's costs associated with delivering planned works
Qualifying Long Term Agreement	This is an agreement between the Freeholder and a Contractor or Supplier such as the agreement with Mears to provide repairs services
Reference Period	A reference period is specified when you purchase your property under the Right to Buy. It outlines the work the Landlord expects to carry out in the first 5 years and ensures that leaseholders are not charged more than that. Landlord can add inflation to the costs
S4B Consortium	S4B is a consortium of companies chosen specifically to deliver investment and regeneration plans for Brunswick
Section 20	Section 20 of the Landlord & Tenant Act 1985 (as amended by the Commonhold and Leasehold Reform Act 2002) sets out the formal process for consulting with Leaseholders and Tenants about certain items charged through service charges.
Service charge	If we perform duties or provide services which incur costs, we will recover the cost from you via a service charge.
sinking fund	Where your lease allows us to do so we will take contributions from your service charges and hold them in 'reserve fund' or 'sinking fund' to cover the cost of planned works that may be of a high value.
Surplus	An amount owed to a leaseholder at the end of the financial year when the accounts have been checked and verified
year-end account statement	A statement issued in September each year to tell leaseholders what the actual cost of providing services and maintenance their building is
The Social Landlords Mandatory Reduction of Service Charges (England) Directions 2014	These directions, popularly known as "Florrie's Law", restrict the amount leaseholders pay in any rolling 5-year period, subject to certain criteria being met

Recognised Tenants Association	A group of tenants representing their common interests which has been formally recognised by the landlord. There is a formal application process to follow.
Residential Leaseholders	A leaseholder that lives in the property on the S4B Estate as their only or principal home
Vistry Partnership	Construction specialists building new roads, landscaping and facilities and new homes for sale and rent.
Year-End / Financial Year End	The financial year ends on 31 March. This is when we will review the budgets set and finalise your accounts