Homeowner Policy

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Hexagon

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Hexagon

1. Introduction

1.1. This Policy sets the general parameters for how Hexagon Housing Association (Hexagon) will interpret its policies when applying them to homeowners who receive some form of service from us.

1.2. This Policy is predominantly intended for shared owners and leaseholders, but where we provide some services to freeholders, relevant sections will apply.

1.3. This Policy is an overview statement, supported by policies either specific to homeowners or general Hexagon policies. Where there's any inconsistency between this Policy and any other Policy, the parameters of this Policy should be applied. Hexagons approach will comply with:

1.3.1. Prevailing legislation, including binding tribunal cases and case law

1.3.2. The lease or other contractual document

1.3.3. Regulatory guidance and good practice.

1.4. Where contradictory expectations apply, Hexagon will abide by statutory requirements first, our contractual obligations under the Leases secondly as well guidance and good practice wherever possible.

1.5. Our aim is to always provide a professional level of service which meets our residents' needs in the management of their blocks and estates.

1.6. This policy applies to non-resident homeowners (e.g. those who rent out their properties).

1.7. The terms 'you' and 'your' in this Policy mean homeowners (including leaseholders and shared owners).

1.8. The terms 'we', 'our', and 'us' mean Hexagon.

2. Equality and Diversity

2.1. Hexagon aims to understand the diverse needs of residents and deliver fair and equitable outcomes under this policy. We commit to considering reasonable adjustments in the delivery of our services to accommodate the diverse needs of residents and their household members.

2.2. This Policy will be enacted in line with our obligations under the Equality Act 2010 and the Regulator of Social Housing's Consumer Standards.

3. General

3.1. Your Lease is the agreement between you and Hexagon that governs the occupation of your home. It sets out what both parties should and shouldn't do, as well as joint responsibilities.

3.2. In some cases, we have agreements with Freeholders, and in this case the Transfer document or Rent Charge deed governs our contractual obligations.

3.3. We will always endeavour to act in accordance with these agreements.

3.4. The only exception to this circumstance is where overarching legislation has superseded any contractual obligations in the Lease or other agreement. In this case we will abide by our statutory obligations.

3.5. Your lease outlines the responsibilities you must comply with. It's important you're aware of your obligations as a homeowner, particularly in relation to Building Safety and Health and Safety or yourself and other residents.

3.6. Obligations in your Lease can include something you are required to do, for example keeping your home in good condition and repair. Lease obligations can also set out what you should not do – for example storing or charging items in communal areas.

3.7. Obligations in the Lease also set out what we are required to do. In usual circumstances, where Hexagon provides services to Leaseholders, the Lease also allows us to recharge Leaseholders for the provision of those services.

3.8. These costs are usually recharged through an estimated Service Charge budget, paid in advance. In line with sector standards and your Lease, the annual costs are reconciled at the end of the financial year

3.9. Once the costs are reconciled, Leaseholders will receive the scheme accounts and may be given a credit or must pay for a deficit. This can change on a yearly basis.

3.10. Your solicitor should have provided you with a copy of your Lease, if you do not have one, you can download it for a reasonable fee from the Land Registry here.

3.11. Your Lease will set out circumstances where you must provide property access to Hexagon as your Landlord or our contractors. This could be to service communal equipment such as fire alarm system, or in an emergency such as a leak into another property.

3.12. Where possible, we will give you reasonable notice but, in an emergency, we may not be able to provide notice. In either circumstance, we would expect you to provide us access promptly when needed.

3.13. Where the Lease is unclear or “silent”, and does not give us guidance in specific circumstances, we will take a fair and reasonable approach, including consulting with all residents to agree a position, if appropriate to do so.

3.14. We will seek to manage our blocks and estates:

3.14.1. In line with legal/regulatory requirements and Government policies, including health and safety requirements

3.14.2. In line with the Leases and/or other contractual requirements

3.14.3. For the benefit of and (where possible) in collaboration with residents

3.14.4. Ensuring costs remain reasonable

3.15. We will provide property management and related services in accordance with the Lease, relevant legislation and good practice.

3.16. We will take appropriate and proportionate action to ensure all relevant parties comply with the terms of the lease. If we have no other choice, we may take legal action, including to bring the lease to an end.

3.17. We will always seek to provide good value for money for all our services. Where these services are provided by third-party contractors, we’ll procure them in accordance with Hexagon’s Procurement procedures and procurement legislation.

3.18. We will consult with Leaseholders about planned works or long-term qualifying contracts and will carry out our obligations under Section 20 of the Landlord and Tenant Act 1985.

3.19. Our Repair Priority Policy outlines our targets for the delivery of a responsive and accessible service. Hexagon do not carry out repairs in Homeowners properties; therefore, these standards apply only to communal repairs.

3.20. Where you have a qualifying lease as defined by the Building Safety Act 2022 (BSA) we won’t charge you for costs related to:

4.20.1 Any fire remediation works we undertake related to historic defects as defined by the BSA;

4.20.2 Interim safety measures including temporary alarm installations.

4.20.3 Evacuation management costs such as Waking Watch.

4.20.4 Costs incurred in seeking redress from parties such as builders, material manufactures or others that may have contributed to such historic defects.

4.21 We'll recover all other costs for works and services related to fire/fire safety in full.

3.21. Where we need to take action to enforce leaseholders' or other property owners' covenants, we will seek to recover all costs associated with the action, including legal fees.

3.22. The safety of the block and residents is paramount, and the responsibility of all residents and visitors to the estate. Hexagon carries out all statutory and regulatory checks of the building and equipment as required.

3.23. In matters of safety, Hexagon will act based on advice from Building Safety professionals and relevant authorities and will take all reasonable steps to ensure the building and estate is safe and secure. This may include action against residents who do not comply with reasonable rules and regulations set by the Leases and Hexagon.

4. Service charge, rent, and administration charge collection

4.1. We have signed up to the London Mayor's Office Service Charge Charter.

4.2. We will provide a Service Charge budget at the start of the financial year.

4.3. We'll offer a variety of payment methods and encourage payment by direct debit.

4.4. We'll request payment in accordance with relevant landlord and tenant legislation, and you will be provided with advice and guidance leaflets relating to your charges.

4.5. If your account goes into arrears, we'll take appropriate action to recover those arrears including contacting you by phone, letter, or email to arrange payment.

4.6. In cases of hardship, we will agree to payment of the arrears by instalments, ideally where the regular payments are made by direct debit. Where a homeowner fails to keep to the agreement, we may levy additional charges for our time and costs incurred, as well as charge interest in accordance with the lease terms.

4.7. We may approach a lender for payment of outstanding sums for both shared owners and full leaseholders.

4.8. Where there is a history of arrears and the where the lease allows, we may charge interest on the outstanding balance. The decision to charge interest will rest with the Operations Director.

4.9. Where a shared owner is regularly in arrears and lender payments reach an unreasonable level, we may take legal action to:

4.9.1. Enforce payment in future.

4.9.2. Recover possession of the property (only as a last resort).

5. Possession

5.1. Taking possession action (whether forfeiture or under the Housing Act 1988) will always be a last resort, when all other reasonable avenues have been exhausted.

5.2. In every case, we will first serve notice on the homeowner, requiring further information regarding the alleged breach. Once we have confirmation the breach has occurred and the homeowner has taken no remedial action, we'll take legal action, which may lead to possession of the property.

5.3. Possession action will be authorised by the Operations Director, or other senior officer they may authorise to act in their absence.

5.4. Where we've obtained a possession order, we may accept a surrender by return of keys from the homeowner who wishes to avoid further enforcement action and associated costs. Where eviction action will be needed, we can only do this once authorised by the Operations Director, or other senior officer who is authorised to act in their absence.

5.5. In the case of outstanding arrears or other payments, the Head of Housing can authorise possession and/or eviction action.

5.6. To gain authority to evict, we must compile a report to demonstrate, as an absolute minimum, we've:

5.6.1. Ensured the homeowner is aware of the actions being taken and the consequence of that action.

5.6.2. Advised the homeowner to seek advice and legal representation.

5.6.3. Made every reasonable effort to avoid the need to evict.

5.6.4. Liaised with mortgage lenders (if applicable) and the local authority.

5.7. If a property is repossessed, once all our costs have been cleared, Hexagon may return any remaining sales proceeds arising from the equity interest previously owned by the shared owner.

5.8. This will be applicable where possession of a shared ownership home is solely as a result of rent arrears and/or service charge arrears (usually related to hardship or vulnerability). It will not apply to possession resulting from other breaches of the lease that are not related to hardship/vulnerability.

5.9. This is at the sole discretion of Hexagon. Hexagon is under no obligation to make any payment to a shared owner following a repossession of their shared ownership home.

5.10. Where the shared owner has secured borrowing against the property (that we've approved and/or is with a lender we would have approved), then remaining proceeds from a sale will be used to discharge the borrowing in full or, where funds aren't sufficient, in part.

5.11. The costs that we'll recover before releasing any payment shall include (the list is not exhaustive):

5.11.1. All costs related to the repossession.

5.11.2. All costs related to preparing the home for resale.

5.11.3. All costs involved in the onward sale of the home.

5.11.4. All arrears of rent, service charge, and any other payments due under the shared owner's lease.

5.11.5. All loss of rent and service charge during the void/sales period (up to a maximum of six months after the date of physical repossession).

5.12. Our costs may include any related internal costs, as well as expenses paid to others. We'll take payment for these costs from the sale proceeds.

5.13. Should the total costs of repossession, including all associated costs, exceed the equity, then no money will be returned to the shared owner. In cases where the shared owner had hardship/vulnerability, we will not pursue recovery of these charges over the available equity once all other costs and expenses have been deducted.

5.14. In calculating any repayment under this paragraph, we'll deduct our costs from the lesser of:

5.14.1. The equity share owned by the shared owner before the repossession (in cases where a greater share is sold to a new shared owner)

5.14.2. The equity share sold to a new shared owner (in cases where this is smaller than the equity share owned before the repossession).

6. Major Works

6.1. Where necessary, we'll consult or notify homeowners before carrying out major works. This includes the formal consultation as required by landlord and tenant legislation. We'll always aim to ensure works are reasonable, required, and provide value for money.

6.2. Where appropriate, we'll recover costs associated with major works from the reserve or sinking fund. Where there's no reserve or sinking fund, or insufficient funds, we will recover the balance due, and/or look to increase the charges to ensure the necessary funds are held.

7. Management Fees

7.1. Our management fee covers a proportion of the staffing and office costs of teams whose work directly or indirectly facilitates the delivery of services to homeowners, blocks, and estates. The level of the fee reflects the level of time and management required and is structured according to whether the property is Hexagon-owned, mixed ownership, or a 3rd party owned property.

7.2. Where the way in which the management fee is set is not specified in the lease, we will usually charge a fixed fee. The fee for each year will be set out in both the estimated service charge, which we send to you at the start of the service charge year, and in the year-end accounts.

7.3. Where we charge a fixed fee, the estimate and the year-end figures will be the same. If we charge you a percentage of costs the figure may vary between the estimated fee and the year-end figure.

7.4. In addition to the fee we charge for the management of your block/estate, we also make a separate charge for the management of cyclical and/or major works.

7.5. Shared owners and leaseholders pay a fixed rate management fee that reflects the level of time and management that they require.

8. Homeowner alterations

8.1. You must obtain our permission before making any changes to your home, including any adaptations for disabilities. This includes those completed by a local authority with a Disabled Facilities Grant (DFG).

8.2. We'll charge you a non-refundable administration fee (except for adaptations for disabilities) to consider your application. You must pay this fee whether we grant or refuse permission.

8.3. If you're not eligible for DFG funding or you wish to install disability-related adaptations yourself, we won't charge an administration fee for our consent. You will still be responsible for all other costs, fees, and expenses.

8.4. If you make alterations without consent you are likely to be in breach of your lease, which is very serious. A retrospective application for consent will be more costly.

8.5. If you carry out works without consent, we may ask you to reinstate your property to its original specification or do this ourselves and recharge you the costs. Charges could include administration costs for enforcement of lease terms.

8.6. We will not normally grant permission in the following or similar circumstances, where the proposed changes:

8.6.1. Are structural in nature.

8.6.2. Would involve the blocking of light or would cause a blockage to a right of way

8.6.3. Would reduce the value of the building

8.6.4. Would cause unnecessary and enduring disturbance to neighbours

8.6.5. Would impact on the safety of your home, for example replacing a fire door with a non-fire door

8.6.6. Impact an area of the building or estate owned by Hexagon. For example, a request to insert a skylight may affect our maintenance of a roof; or request for a ground floor extension may affect our ability to access, maintain, clean, repair and make replacements at the block.

8.7. We may be prevented from granting consent due to lease or other title conditions, or other conditions outside of our control.

8.8. If you are granted consent from Hexagon, you must also get planning permission and Building Control consent for any works, where legally required, prior to works starting.

8.9. You are responsible for covering any costs associated with the changes, including costs incurred by Hexagon (whether legal, surveyor, administrative or other e.g. revised risk assessments such as fire safety risk assessments).

8.10. Any consent to undertake any alterations or adaptations will be conditional on you getting all relevant planning permissions and Building Control consent.

8.11. The work must comply with the relevant codes and regulations in force at the time. Where there is a change in these codes and/or regulation that require retrospective compliance, it will be your responsibility to ensure you meet the new requirements as necessary including the costs of such works.

9. Buildings insurance

9.1. We will provide block buildings insurance cover for all our leasehold blocks of flats and shared ownership houses, unless there are contractual terms in place that require otherwise. For example, if the lease requires the leaseholder to insure the building. We'll provide homeowners with details of the insurance on request.

9.2. Where we do not own the freehold for a block, the freeholder or their agent will arrange the building's policy. If you need to make a claim, you'll need to contact the freeholder, their agent, the building insurer or broker, or such other person as needed in accordance with the arrangements in place.

9.3. Where a claim needs to be made for the common areas, we will oversee this and work with the freeholder or other appropriate party as appropriate.

9.4. Insurance cover will be determined in accordance with our assessment of the appropriate level of cover required. In making this assessment we'll take many factors into consideration including balancing the premium against the cost of the cover.

9.5. We will ensure we comply with our varying obligations as a landlord when required to arrange buildings insurance. We'll also seek to ensure our policies are in keeping with good practice for both the insurance and property industries

10. Subletting

10.1. Whether or not subletting is permitted depends on the terms of the relevant lease.

10.2. Generally, shared ownership leases do not permit shared owners to sublet before staircasing to 100% ownership of the property.

10.3. In accordance with Homes England's Capital Funding Guide, we may grant permission to sublet for a limited period in exceptional circumstances. We may impose additional conditions where necessary and will explain the reasons for doing so.

10.4. Where permissible, we will charge for dealing with applications from homeowners to sublet their properties.

10.5. If you have a mortgage, you will need permission from your lender to sublet. Our consent will be conditional on you obtaining this permission and complying with any conditions imposed by your lender. We may ask you to provide evidence of this consent.

10.6. Our consent will be conditional on you letting the property in accordance with all relevant legislation, regulations and the terms of your lease, including the requirements of the Renters' Rights Act 2025 where applicable. You are responsible for keeping up to date with changes in legislation and ensuring that your property is maintained and managed in accordance with your legal obligations.

10.7. You remain responsible for your property and for the conduct of your tenant(s). Our permission to sublet does not remove or override the statutory rights of your tenant(s).

10.8. We cannot provide advice on your legal obligations as a landlord, although we may ask you to provide evidence that you are complying with them. Where you are unable to provide satisfactory evidence, we may consider this a breach of our consent and, where applicable, the terms of your lease. We may take appropriate action, including legal action where necessary, subject to any statutory requirements.

10.9. If you sublet your property without our permission, where permission is required under the terms of your lease, we will take appropriate action. This may include legal action to enforce the terms of your lease and, where legally permissible, proceedings to recover possession.

10.10. We will not grant permission for short-term holiday lets, Airbnb-style arrangements, serviced accommodation or similar commercial letting arrangements where these are prohibited by the lease or applicable legal or regulatory requirements. Such arrangements may breach lease covenants, including restrictions on business use or the requirement to occupy the property as a private residence. Where shared ownership properties are being used for commercial gain contrary to the terms of the lease or the

requirements of the shared ownership scheme, we will take appropriate enforcement action.

10.11. When considering applications for permission to sublet, we will take account of the proposed duration of the arrangement, the terms of the lease and the statutory rights of any prospective tenant. We will not grant permission on terms that would require a homeowner to act unlawfully in order to recover possession of their property. For shared ownership properties, permission will be considered in accordance with the relevant requirements of Homes England's Capital Funding Guide.

10.12. Where permission to sublet is granted for a limited period, homeowners must understand that the expiry of our permission does not, in itself, provide a statutory ground for recovering possession from their tenant(s). Homeowners are responsible for ensuring that they have a lawful basis for recovering possession and that they follow the appropriate statutory procedures.

10.13. Before withdrawing permission to sublet, issuing notice that permission will not be renewed, or requiring a homeowner to recover possession of their property, we will consider whether the homeowner has a lawful route to recover possession and whether sufficient time has been allowed to comply with the relevant statutory requirements. We may require the homeowner to provide evidence of the steps they are taking and will seek legal advice where necessary.

10.14. For shared ownership properties, we will provide at least six months' notice before ending permission to sublet, where required by Homes England's Capital Funding Guide, subject to any applicable exceptions, including circumstances involving anti-social behaviour, illegal activity or safety concerns.

10.15. Where a homeowner is taking reasonable steps to recover possession lawfully but is unable to do so before their permission to sublet expires, we will consider extending permission to allow the necessary legal process to be completed. For shared ownership properties, we will extend permission where required by Homes England's Capital Funding Guide, including where court proceedings are necessary to recover possession.

10.16. Homeowners must obtain our permission before granting a new subtenancy where this is required by their lease or applicable funding requirements. For shared ownership properties, each new subtenancy must be authorised in accordance with Homes England's Capital Funding Guide, subject to any applicable exceptions. Permission for one subtenancy does not automatically constitute permission for subsequent subtenancies.

10.17. Nothing in this policy removes a homeowner's responsibility to comply with the terms of their lease or their statutory obligations as a landlord. We will exercise our rights under the lease in accordance with relevant legislation and will not require homeowners to take action that would unlawfully interfere with the rights of their tenants.

11. Anti-social behaviour

11.1. We will take appropriate action where anti-social behaviour is caused by a homeowner (or if sublet, their tenant) and there is sufficient evidence to support successful action. This may include working in partnership with the police and relevant local authority departments, and/or legal action for breach of the lease.

11.2. In cases where a homeowner is complaining about the actions or behaviour of a Hexagon tenant and there is sufficient evidence, we'll take action against the tenant in line with our Anti-Social Behaviour Policy.

11.3. In all other cases, we'll advise the affected person to contact the police and/or local authority. Where appropriate and sufficient evidence exists, we'll support reports made.

11.4. Where the evidence is inconclusive and unlikely to result in successful legal action, we'll signpost homeowners to other options e.g. mediation, independent legal advice.

11.5. If we are compelled to act by a 3rd party (e.g. a leaseholder looking to enforce a covenant), we will aim to recover any costs we incur that are not recovered or recoverable from the person causing the anti-social behaviour.

11.6. Where we are being compelled to act by a party, we will only act on agreement with these terms before we start any action. This could include collecting payment up front before commencing any action.

12. Lease length, collective enfranchisement, and lease extension

12.1. In addition to statutory rights, we also offer lease extensions outside of the formal process. We encourage leaseholders to follow our informal lease extension route, as it's quicker and cheaper. Shared owners have no statutory right to extend their lease, but they can follow our informal route.

12.2. We now grant leases for a minimum term of 999 years from the commencement date (approximately the date of the first sale in the development) where we own the freehold of the estate/block. Homes sold in later phases of larger developments will have the balance of the unexpired term of 999 years from the commencement date.

12.3. If you bought your home before this Policy came into effect, you may have a lease with an original term of 250, 125, or 99 years, which would have been based on the practice at that time. If you have a shorter lease and you want to extend it, the normal rules for lease extensions apply.

12.4. If we don't own the freehold, we'll grant a lease that will end at least five days before our own lease expires. Exact length will depend on the arrangement with our superior landlord. Your solicitor should advise you about this before you buy.

12.5. Should you wish to extend your lease, we'll offer you the option of extending by 90 years or buying a term which will bring the lease term up to 990 years (e.g. if you own a lease with an unexpired term of 50 years, you can buy an additional 940 years). You should seek your own independent legal advice on what is best for you.

12.6. We will also consider the sale of freehold in circumstances where we are not compelled to sell. Usually, we will consider this where the blocks are small or outside of core areas of operation or other special factors. Any sale outside of those required by law will need prior approval of the Director's Group and the Investment Committee. Our internal 'Risk Assessment Panel' may also need to provide approval.

12.7. Homeowners are usually liable for all costs associated with an application for a lease extension or freehold purchase, regardless of whether the transaction is concluded.

12.8. We'll provide you with information as to your options but will not give advice (legal or otherwise) as to whether or how to proceed.

13. Lease variation

13.1. We will carry out lease variations when appropriate, in particular when a lease fails to make satisfactory provision for a matter outlined in section 35 of the Landlord and Tenant Act 1987.

13.2. Where you request a variation, if we agree to the variation, you will cover all costs.

13.3. Where appropriate and possible, we shall seek to vary lease terms by mutual consent; otherwise, we will make an application to the First-tier Tribunal (Property Chamber).

13.4. Any variation requested by a homeowner that diminishes a right of Hexagon reserved in the lease will only be granted on payment of a premium. Payment

of any premium will be in addition to costs and charges made to process a request to vary.

14. Shared ownership staircasing

14.1. We will process applications for the purchase of additional shares by shared owners in an efficient manner, following the terms of their lease. Shared owners will be responsible for their associated costs in completing the purchase.

14.2. An approved valuer will determine the cost of additional shares, the cost of which shall be borne by the shared owner before the valuation is carried out. The valuer will value the property in accordance with the terms in the lease.

14.3. We'll ask the valuer to disregard the added value of any of your home improvements we've given permission for. If you didn't seek consent prior to the works, please provide details. You may be required to apply for retrospective consent depending on the work you have done.

14.4. The valuation will remain valid for three months. After three months, if you have not completed the purchase, a new valuation will be needed.

15. Shared ownership resale

15.1. We will assist in the sale of shared ownership properties where the percentage owned by the shared owner is less than 100%. We will attempt to find a buyer for the percentage share owned, within the nomination period (where one is provided) as set out in the lease. Where there is no nomination period, we will market the share with the agreement of the shared owner, in accordance with our standard terms.

15.2. You must pay us a resale fee to cover our marketing and administrative costs in accordance with our standard terms and conditions. This may be different from the provisions of the lease. In most cases, the standard terms and conditions will apply unless there are special circumstances that must prevail.

15.3. If we don't find a buyer, you can choose to sell your home on the open market with outright ownership (unless your lease doesn't allow this). You'd need to staircase to 100% ownership and sell at the same time (this is known as a 'back-to-back sale').

15.4. You'll benefit from any increase in value your home improvements have made in relation to the share you own. This will only be where we've granted consent to the improvement. If you did not seek consent prior to the works, please provide details. You may be required to apply for retrospective consent depending on the work you have done. You'll only benefit from the full

increase in value if you staircase to 100% ownership and sell at the same time.

15.5. Your lease may contain provisions related to the value at which you're selling. We'll agree the appropriate way to deal with these provisions as part of the process.

16. Right to Buy / Right to Acquire

16.1. We will comply with all legislative requirements in processing applications for the Right to Buy, Preserved Right to Buy, or Right to Acquire. All applications will be processed in an efficient manner.

17. Recovery of legal costs

17.1. We may incur legal costs due to litigation via the courts or tribunals (whether in-house or via external advisors). We'll seek to recover costs from the applicants or the respondent, where the law and/or the lease provides for this. In some cases, we may not seek to require some costs depending on the facts of the matter. We also reserve the right to pass on the cost of any legal action aimed at protecting your interest.

18. Leaseholder involvement and participation

18.1. We will provide opportunities for residential homeowners to formally scrutinise and influence our services, via groups within our resident engagement structure. Homeowners can apply for resident member vacancies on our Board. We will also provide informal opportunities for homeowners to influence our services, with less commitment.

19. Recognised Tenants' Association (RTAs)

19.1. We will acknowledge RTAs that have sought our recognition and meet published guidance on recognition of RTAs.

19.2. We'll recognise an RTA where the paid-up membership represents not less than 60% of those paying a variable service charge. We'll grant recognition for a period of four years.

19.3. We will look to work with formally constituted groups for a block or estate that cannot be recognised under the relevant legislation where:

19.3.1. The group has a formal constitution.

19.3.2. The group has a formal procedure for membership.

19.3.3. The officers of the group have been democratically elected.

19.3.4. Group membership is significant in number for the size of the block/estate it has been set up for.

19.4. Only the Operations Director or Head of Housing are authorised to recognise an RTA.

19.5. Regardless of whether a resident group is recognised or not, we will seek to work cooperatively with the group where:

19.5.1. It's clear the group is representative of the homeowners.

19.5.2. There is a desire to have mutually beneficial engagement.

19.6. We expect all groups to be inclusive, respect diversity, and act reasonable in their contact with us.

20. Homeowner consultation

20.1. Where necessary, we will undertake necessary consultation in accordance with section 20 of the Landlord and Tenant Act 1985 (as amended). This is where we will be the body undertaking the works.

20.2. Where there is a superior landlord or another such better qualified party (usually this will be the party undertaking the works or their agent) they will undertake the consultation with the homeowners who will ultimately be meeting the costs. Where such arrangements exist, we will assist the relevant party with details of the leaseholders as needed. For example, this will involve sharing your name and the address for any property where you hold a lease from us. If you have given us a correspondence address, we will also provide that.

20.3. Should we be undertaking works and there is another party with an intermediate relationship between Hexagon and the homeowner ultimately meeting the costs, we will undertake the consultation directly with those homeowners.

20.4. None of the above will prevent us from making our own direct observations where entitled to do so or accept comments where undertaking such works.

21. Site inspections

21.1. We will make regular visits to the blocks and estates we manage directly. The frequency of the visits will depend on a number of factors including proximity

to our offices and the size of the development. These inspections will principally be to make sure the block and estate are properly maintained in accordance with the service contracts in place.

21.2. During inspections, any obvious breaches of covenants or issues, (particularly those with health and safety implications) will be noted and referred to the relevant team for action. Items of repair should also be picked up and addressed.

21.3. These general inspections are supplementary to Hexagon's more formal health and safety inspections in accordance with our suite of Property Safety Policies.

22. Rents and ground rents

22.1. We'll increase shared ownership rents in accordance with the requirements of the lease, unless there are other overriding rules or regulations specifically requiring something different. In very exceptional circumstances, we may choose to not increase rent to the full degree provided by the lease. This would only be with the consent of the Audit and Risk Committee and the Board.

22.2. Where a shared owner completes their purchase on or before 30 September of any given year, they will have a rent increase in line with the lease the following April. If the completion is after 30 September, we won't increase the rent the following April but will increase it in line with the lease the subsequent April. This only applies to shared owners buying brand new properties, not resales.

22.3. If we're charged ground rent by a superior landlord, we'll look to recover this from the shared owner, unless otherwise varied by historical arrangement or other contractual conditions.

22.4. If you staircase to the maximum share, you may need to pay a ground rent where the lease conditions require. Historical variations may exist, and these arrangements will not be varied by the adoption of this Policy unless there is significant detriment to residents. In such cases the Operations Director may vary the arrangements.

22.5. No ground rent will be charged on new home sales from 30 June 2022.

22.6. Ground rent will continue to be charged in accordance with lease provisions where applicable.

23. Alternative accommodation

23.1. If you need to vacate your property (most likely to allow for works to be done), you are usually responsible for finding and funding your own alternative accommodation. See Hexagon's Alternative Accommodation Policy.

23.2. Should the need to vacate a property be as a result of an insured peril, the building insurance may cover the cost of alternative accommodation. You should deal with all matters directly. We may assist if you have difficulties dealing with such matters, if agreed by the Operations Director.

23.3. In all cases, but particularly with shared owners, we'll consult the lease to determine the requirements of the respective parties, especially in relation to ongoing charges whilst the property is empty.

24. Combined Heat and Power (CHP), Central Energy Plant (CEP)

24.1. Our newer developments, blocks, or estates may have CHP or CEP systems that provide services to residents. In such cases from the adoption of this Policy we will always look to have the consumption of services billed by a specialist service provider.

24.2. Wherever possible we'll include the cost of servicing and replacing the plant into the 'standing charge' levied by the provider. We'll ringfence any funds accumulated for this for that purpose only.

24.3. In all cases where it is possible to vary the way services are billed, we will look to convert the way the services are charged in accordance with this Policy. Where historical arrangements dictate something else, the relevant contractual arrangement should continue.

24.4. For all new developments where we own the CHP/CEP, we will include the servicing of the Heat Interface Unit (HIU) as our responsibility as the owner of the CHP/CEP. Where we service the HIU, we'll include the cost within the standing charge and/or service charge.

24.5. Where the HIU will need parts to be replaced or other work outside of regular servicing, you may need to meet the cost directly. This will extend to the cost of full replacement, unless this is part of a whole or major system replacement/refurbishment or similar.

24.6. Wherever possible, we will provide metering using modern prepay systems with heat and hot water paid for in advance.

24.7. In cases where a superior landlord or other party controls the system, we will use our best endeavour to have them match these requirements.

24.8. If any regulations or laws are introduced requiring us to deal with any of these matters in a different way, we will comply with them from the time we are required to do so.

25. Eligibility for shared ownership homes

25.1. The eligibility criteria for shared ownership homes are set out in our Shared Ownership Allocation Policy.

26. Monitoring and review

26.1. We will review this Policy to address legislative, regulatory, best practice or operational issues.

26.2. We will review this policy at least once every three years.

27. Data Protection

27.1. This Policy will be enacted in line with our Data Protection framework, and in line with the UK GDPR and Data Protection Act 2018.

27.2. If you want more information about how your personal data is processed under this policy, please contact our data protection team at dprotection@hexagon.org.uk or call our office.

28. Resident Consultation

28.1. This policy will be made available for resident consultation upon the request of the Resident Involvement Group.

29. Legal Framework

29.1. Building Safety Act 2022

29.2. Capital Funding Guide (Homes England)

29.3. First-tier Tribunal (Property Chamber)

29.4. Housing Act 1988 and 1996

29.5. Landlord and Tenant Act 1985 and 1987

29.6. Leasehold Reform Act 2002

29.7. Regulator of Social Housing's Consumer Standards

29.8. The Leasehold Reform (Shared Ownership Leases etc.) (England) Regulations 2021

30. Related Hexagon policies, strategies and procedures

30.1. Abandonment, Unauthorised Occupants and Sub-letting Policy

30.2. Adaptations Policy

30.3. Anti-Social Behaviour Policy

30.4. Disposals Policy

30.5. Equality and Diversity Policy

30.6. No Access Policy

30.7. Rent Arrears Policy

30.8. Rent Policy

30.9. Section 20 Policy

30.10. Service Charge Policy

30.11. Shared Ownership Allocation Policy

31. Version Control

Version	Date	Updates
1	June 2026	Policy first introduced