

«LEASE_PARTIES_»
/The Current Lessee(s)
«ADD_1»
«ADD_2»
«ADD_3»
«ADD_4»
«ADD_5»
«ADD_6»

Property Reference: «PROP_REF»
Property Address: «PROPERTY_ADDRESS»
Scheme Reference: INSURANCE_2022/23
Date: 1 August 2022

Dear «LEASE_PARTIES_»/ The Current Lessee(s),

Renewal of leaseholders' buildings insurance contract – please read carefully

I am writing to tell you the current contract for leasehold building insurance will expire on the 31 March 2023. The London Borough of Lambeth is proposing to enter into a new contract from the 1 April 2023; as a leaseholder you have the right to be consulted.

This letter is a **Notice of Intention** and the first of two letters in this consultation process that relates to the future service charges which Lambeth may recover from homeowners in respect of the costs of buildings insurance.

Description of service

Lambeth will procure a buildings insurance policy for leaseholders. It is proposed to appoint a contract on a five-year long-term agreement, obtained by the number of bedrooms meaning it will be a bedroom rated insurance policy.

Examples of the insured risks to be covered by the policy as set out in your lease (subject to any specified exclusions or conditions) include fire, smoke, lightning, explosion, earthquake, storm and flood, subsidence, heave or landslip, malicious damage, impact, falling trees or aerials, accidental damage, terrorism, riot and civil commotion and escape of water or oil from fixed systems etc. The contract will include the insurance of individual leasehold flats as well as the common parts e.g., stairwells, entrance halls and the estate where appropriate.

Reasons for entering into a qualifying long-term agreement

The current long-term agreement with NIG will expire on the 31 March 2023 and Lambeth as a landlord is required under the terms of the lease to insure and protect the building from insured risks. A fuller description of the insured risks and exclusions can be found in the current building insurance policy, which is available using the link [://bit.ly/LH_Insurance](http://bit.ly/LH_Insurance).

Procurement

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 services because public notice of the relevant matters is to be given. Public procurement legislation states that contracts over £189,330 – for Supply, Services and Design Contracts must be published via the Find a Tender Service.

More information

A set of frequently asked questions can be found here <http://bit.ly/S20BoroughwideConsultation>. If you do not have access to view documents online, please telephone 0207 926 6521.

Please do take the time to watch a short (5 minute) film which explains what a Section 20 notice is and what this means for you: <https://bit.ly/S20Film>.

Observations

Now you have more information you may wish to get in contact. I invite you to send in your written observation in relation to the intention to procure a leaseholders building insurance contract. Your observation (should you choose to send one in) must be delivered to the address below by the 5 September 2022. This is 35 days from the date of this letter and when the relevant period ends.

Below are some ways you can send in an observation if you choose to.

- Online via our E-Form: <http://bit.ly/S20eform> or alternatively, scan the QR code at the end of this letter.
- Write to: S20 Consultation, London Borough of Lambeth, PO Box 734, Winchester, SO23 5DG.

If you choose to contact us, please include reference INSURANCE_2022/23 and make it clear you are sending in a Section 20 Observation. By doing this, you are ensuring it gets to the correct team quickly.



Alternatively, you may find it easier to call and speak with someone directly. Our friendly team are here to answer any questions you have. You can call the team directly on 0207 926 6521 Monday to Friday 9am to 5pm.

What happens next?

Send you a Notice of Intention.	Complete
Hand over to London Insurance Consortium and advertise for bids on 'Find a Tender Service'	Anticipated September 2022
Assess all bids for cost and quality to identify a preferred bidder	Anticipated November 2022
Seek approval of a preferred bidder from Lambeth's Cabinet.	Anticipated December 2022
Send you a Notice of Proposal. View this short film explaining what a Notice of Proposal is: https://bit.ly/S20Film	Anticipated January 2023
Award the contract to the winning bidder	Anticipated March 2023
Mobilise the contract	1 April 2023

Thank you for taking the time to read this letter carefully.

Kind regards

Karen Kellaway

Karen Kellaway
Major Works Income Team Manager
Housing Capital and Asset Management



Notice of Intention to enter into a qualifying long-term agreement subject to public notice under Section 20 of the Landlord & Tenant Act 1985 (as amended by section 151 of the Commonhold & Leasehold Reform Act 2002) and the Service Charges (Consultation Requirements) Regulations 2003).

