

# Section 20: Customer Consultation Frequently Asked Questions and Answers

## Why have I received this Notice of Intention?

This Notice is to let you know that we intend to enter into contracts to provide services or carry out major works that you may have to contribute towards through your service charge. We are letting you know before we formally invite contractors to tender for the services/works and provide estimated costs.

We are required to send you this Notice under Section 20 of the Landlord and Tenant Act 1985 (as amended by the Commonhold and Leasehold Reform Act 2002). Under the terms of your lease or tenancy agreement, you must contribute towards the cost of certain services or work to the building your home is in, or the estate your home is on. This is paid through your service charge.

Section 20 requires us to consult with you about certain works and services before we make a decision.

As these contracts cover a wide range of work over many years, we are unable to give specific details about whether you will receive any works under these contracts and therefore incur charges. This consultation is to let you know that work could take place under these contracts in the future.

If any work or services are planned for your home, we will send you a further notice with more detailed information once the works have been identified and closer to the time it is due to be carried out.

**Please note:** *Receiving this Notice does not mean that work will definitely go ahead or that you are being charged immediately - it is part of the legal consultation process.*

## I am a Platform tenant: Why have you sent me this Notice?

Some of the services you pay for through your service charge are provided under one of the long-term contracts (Lots) that we are tendering.

By law, we must let you know when we intend to tender for services that you will have to contribute towards, where the cost could be more than £100 (including VAT) per year.

We are writing to you now, before contractors are invited to submit tenders (quotations), so that you are aware of the proposed contracts and have the opportunity to provide feedback as part of the consultation process.

Examples of works under these contracts that may affect your service charges include:

- Changes to lighting in communal areas (which may affect communal electricity charges)



- Changes to communal heating systems (which may affect communal heating charges)
- Replacement of communal lifts (which may affect lift charges and ongoing maintenance)
- Door entry systems
- Fire safety works

## **I am a leaseholder: Why have you sent me this Notice?**

We have sent you this Notice because you may be required to pay more than £100 (including VAT) per year towards the cost of a service or works provided under a long-term contract.

In these circumstances, we must follow the legal consultation process set out in the Service Charges (Consultation Requirements) (England) Regulations 2003. This consultation has two stages:

### **Stage One – Notice of Intention**

At this stage, we must write to all leaseholders and tenants affected to advise them of the services that will be provided. This is the Notice of Intention that you have received.

You then have **30 days** to send us your comments or feedback (known as *observations*) about the proposed service.

### **Stage Two – Notice of Proposal**

The second stage is the Notice of Proposal. This will provide the contractors details and the estimated costs of the services or works they will provide.

There will be a further opportunity for leaseholders and tenants to submit observations during Stage Two.

### **Further notices during the contract**

Once the contract is in place, as and when specific works are identified as needed, we will send you a further notice explaining the works to be carried out and the cost.

We will only do this where the cost to any one customer will be £250 or more (including VAT). This is often referred to as a *Schedule Three Notice*.

## **I live in a shared ownership home: Why have you sent me this Notice?**

Your home is served by a private sewage treatment plant or pump. The replacement of these systems is included within Lot 1 and/or Lot 4 contracts.

If your sewage plant or pump needs to be replaced during the contract period, then the work will be carried out under one of these Lots, and therefore we are required to consult with you as part of the Section 20 process.

## **When is Platform required to consult with me about work under Section 20?**

We must consult with leaseholders and tenants who pay a variable service charge when one or more of the following applies:



1. If we plan to carry out works costing more than £250 per leaseholder. This includes repairs and maintenance to your building and estate.
2. If we plan to enter into a long-term agreement lasting more than 12 months - where we appoint an external contractor for works, supplies, or services that will cost any leaseholder or tenant more than £100 (including VAT) per year.
3. If we plan to carry out works under a long-term agreement - where the work will cost any leaseholder more than £250 (including VAT).

In this case, we are consulting with you because the second point above applies.

## **Why are you tendering these contracts?**

We are planning to appoint new contractors through a tendering process for long-term agreements to carry out works that may affect your building or estate.

This procurement process will help us select high-quality contractors in each region to deliver the services listed below. It will also allow us to work more efficiently and build long-term relationships with trusted suppliers with an emphasis on improving customer experience.

- Roofing works
- Sustainability improvements
- Fire safety works
- Internal and external block repairs
- Mould cleaning
- Scaffolding

## **How will the contractors invited to tender be chosen?**

We are required to follow public sector procurement rules set by the UK Government, including the Procurement Act 2023. Due to the value of these contracts, Platform must advertise them publicly and invite contractors to bid through an open and competitive process. The selection process has two main stages:

### **Stage One – Pre-qualification**

Contractors are first asked to complete a Procurement Specific Questionnaire, which helps us assess whether they are suitable to deliver the services. This includes checks on experience, capacity, and compliance.

### **Stage Two – Invitation to Tender**

Contractors who meet the requirements will then be shortlisted and invited to submit detailed bids. This will be based on the specifications and requirements set out in the Invitation to Tender documents and, where appropriate, through further dialogue or negotiation.

## **What does ‘raising observations’ mean?**

Raising observations means formally sending us your comments or feedback on the contracts being proposed. As this is part of a legal consultation process, observations must be provided **in writing** within **30 days** of receiving the Notice. Unfortunately, we cannot accept observations over the phone or in person.



You can send your observations to us by:

- **Email:** [Section20@platformhg.com](mailto:Section20@platformhg.com)
- **Post:** Platform Housing Group, 1700 Solihull Parkway, Birmingham Business Park, Solihull, B37 7YD
- **Online:** [www.platformhg.com/section20-customer-information](http://www.platformhg.com/section20-customer-information)

We must consider any observations we receive from leaseholders and tenants and respond to them within **21 days** of receiving them.

### What contracts (Lots) are being tendered?

We are tendering six contracts (Lots) across each of the three regions where Platform works:

- **Severn:** mainly covering Worcestershire and Herefordshire.
- **Tame:** mainly covering West Midlands, Derbyshire and much of Leicestershire.
- **Witham:** mainly covering Lincolnshire, Nottinghamshire and the remaining part of Leicestershire.

You can find out more about our three localities on our website:

[www.platformhg.com/localities-model](http://www.platformhg.com/localities-model)

These Lots cover the following works and services:

Lot	Name	Description (not an exhaustive list)	Length of Contract	Number of Contractors
1	<b>Home Investment &amp; Retrofit</b>	Replacement of kitchens, bathrooms, roofs, windows, doors, and improvements to insulation and energy efficiency	<i>up to 14 years</i>	Max. 3, 1 per locality
2	<b>Passive Fire Safety Works</b>	Fire safety works identified as a result of a fire risk assessment e.g. fire stopping, compartmentation, fire alarm installations, ventilation systems	<i>up to 10 years</i>	Max. 3, 1 per locality
3	<b>Electrical Testing and Repairs.</b>	EICR reports and remedial works identified as part of the assessment	<i>up to 7 years.</i>	Max. 3, 1 per locality



4	<b>Complex Repairs and Major Voids</b>	Complex repairs – repairs that involve multiple trades or repairs requiring specialist services  Major Voids – repairs and works to empty properties	<i>up to 10 years</i>	Max 10, 1 per sub locality plus 1 for Leicester City
5	<b>Mould Surveys, Cleans and Remedials</b>	Inspections and diagnostics, mould removal and preventative treatments, associated repairs and making good post works	<i>up to 8 years</i>	Max 10, 1 per sub locality plus 1 for Leicester City
6	<b>Scaffolding</b>	Provision of scaffolding for works undertaken by our in-house repairs service Platform Property Care	<i>up to 10 years</i>	Max. 3, 1 per locality

### **The Notice refers to ‘Lots’: What are these?**

‘Lots’ are simply a way of breaking a large contract into smaller sections. Each Lot (listed above) covers a different type of work or service, and each one is awarded as a separate contract. We are tendering these Lots across the three regions where we work: **Severn, Tame and Witham**.

This approach allows us to appoint the most suitable contractors for each area of work, rather than using just one supplier for everything. For Lots 1, 2, 3 and 6 contractors can only be appointed in one region. For Lots 4 and 5 contractors can be awarded up to two regional contracts to help ensure services can be delivered effectively.

### **How do I find out more detail on what works are included in the contracts (Lots)?**

You can find a summary of the works and services included in each contract (Lot) and how they may apply to your building or estate, on our website: [www.platformhg.com/section20-customer-information](http://www.platformhg.com/section20-customer-information).

If you are not able to access our website, please email us on [Section20@platformhg.com](mailto:Section20@platformhg.com) and we can arrange for them to be emailed to you or printed off and posted.



## **If there are six contracts (Lots) being tendered, why have I only received one Notice of Intention?**

We have included details of all six contracts (Lots) within one Notice to reduce the amount of paperwork we send to you. This also helps to keep postage and administration costs down.

If you would like to comment on any particular Lot or Lots, you can do so by completing the Observation form enclosed with your Notice of Intention, by emailing [Section20@platformhg.com](mailto:Section20@platformhg.com) or completing the online form on our website: [www.platformhg.com/section20-customer-information](http://www.platformhg.com/section20-customer-information)

## **I don't receive all the services listed in the Lot summaries. Why have I been sent this Notice?**

Not all of the works or services included in the contracts (Lots) will apply to your building and some may not take place during the contract period we are consulting on.

However, you have been included in this consultation as you may receive and pay for some of the items included in the contracts (Lots).

## **Can I nominate my own contractor?**

In some Section 20 consultations, leaseholders and tenants may have the right to nominate a contractor to be invited to tender for the works or services.

However, this does not apply in this case because these contracts must be advertised publicly through an open procurement process. This means contractors are selected through a formal competitive tender rather than individual nominations.

## **What is a 'public notice'?**

A public notice is a formal advertisement that Platform must publish when the value of a contract exceeds certain legal procurement thresholds, so that contractors from across the UK have the opportunity to submit a tender.

Under the Procurement Act 2023, this applies where a contract is expected to be worth more than £5,193,000 for Works or £207,720 for Supplies and Services.

## **How will leaseholders be consulted about work Platform wishes to carry out under these long-term contracts?**

If we plan to carry out specific works under these long-term agreements that will cost any one leaseholder more than £250 (including VAT), we must consult with you again.

You will be able to comment on the work, but you will not be able to nominate a contractor as they will already have been appointed through the tender process for the relevant contracts (Lots).



## **Why are you using large contracts in each of your regions instead of consulting me about my individual building?**

Arranging separate contracts for individual buildings can cause delays and often add substantial costs. It can also create more uncertainty over prices, particularly when costs in the market are changing.

By setting up these long-term agreements (contracts (Lots)) across our regions, we can make better use of our purchasing power to secure more competitive rates, improve efficiency, and provide greater cost certainty and stability over time.

## **Are there any plans to carry out works to my building and if so, how much will they cost me? *(Please note: this question only applies to leaseholders)***

Once the contracts (Lots) have been awarded, we will work with the appointed contractors using our home stock condition information to develop annual investment programmes.

If we identify works that are needed for your building, we will write to you again with a further Section 20 Notice. This will explain what works are proposed and the estimated costs.

We will only issue this further notice where the cost to you would be more than the legal threshold (currently £250 including VAT). You will also have another opportunity at that stage to provide comments or observations before any final decisions are made.

## **How will the contractors pricing for each contracts (Lots) be worked out?**

Contractors will price their tenders using standard methods to ensure costs are fair, consistent and provide value for money.

### **Lots 2 – 6: Schedule of Rates**

For Lots 2 – 6, pricing will be based on a Schedule of Rates (SofR). This is when a set book of rates, with a detailed description of that work, is issued to the contractor. Contractors then submit a percentage adjustment (up or down) against these rates.

These rates are set by the National Housing Federation and are updated every few years.

### **Lot 1: Target Cost Model**

Due to the size of the works, available length of contract and the benefit these works will provide, Platform has decided (with external advice and support) to implement a different pricing model for Lot 1 - Target Cost Model.

This means we set the rates for much of the works, based on Platform's current pricing, checked against market rates. Contractors then, as part of their pricing, can add a percentage to cover their overheads and profit, creating a maximum cost.

We will review the rates each year to ensure they continue to offer value for money. If evidence is found that the costs are too high, a "gain share" mechanism allows us to reduce the target cost and recover a proportion of any overcharge.



## **How will you monitor the contractors and how will poor performance be dealt with?**

We will closely monitor contractors throughout the contract to make sure work is delivered to the required standard and that customers receive a good service.

As part of the procurement process, we are setting strong Key Performance Indicators (KPIs) covering key areas such as quality, timescales and customer experience. These will be regularly monitored by our Contract Managers during formal, recorded performance meetings.

If a contractor does not meet the required standards, they may face financial penalties, including losing part of their profit. Continued poor performance could lead to further action, and in serious cases, suspension or termination of the contract. Also, if the behaviour or performance of any contractor's staff falls below expected standards, we have the right to remove them from working on your building.

## **How is Platform ensuring customers' best interests are at the core of this contract?**

Customers are at the heart of this procurement process. We are gathering customer feedback during the initial stages to better understand their lived experiences and what matters most when works or services are delivered. This has helped us shape the requirements for the new contracts and improve the customer journey.

We are also making it clear to contractors what is expected of them when working in and around customers' homes, including standards of behaviour, respect, safety and communication.

During the Invitation to Tender stage, contractors will be asked specific questions about customer service. These responses will be scored by involved customers, ensuring that the customer experience is a key part of how contractors are selected.

## **How will Platform ensure contractors provide local employment opportunities and follow diversity and inclusion practices?**

As part of the tender process for each contract (Lot), contractors will be expected to demonstrate a commitment to employing a local workforce within the relevant region.

We want contractors' teams to reflect the diversity of the communities they will be working in, so they will be required to explain in detail how they will achieve this and provide examples of how they have supported local employment and inclusive working practices in the past.

These responses will form part of the tender evaluation and will be scored by a wide range of Platform colleagues, with support from involved customers.

Contractors will also be assessed on their Social Value commitments, which may include creating apprenticeships, training opportunities, and other local community benefits.

Once a contract is awarded, these commitments will become part of the contract requirements and will be monitored through ongoing contract management.



## **How will Platform ensure contractors use sustainable materials and environmentally friendly working practices where possible?**

Sustainability is an important part of how we will select and manage contractors. We have updated our specifications to reflect the latest industry standards and expectations around sustainability and as part of the tender evaluation process, contractors will be asked specific questions about how they will use sustainable materials and adopt environmentally responsible working practices. Their responses will be reviewed and scored with support from our Sustainability Team.

Once contracts are in place, we will monitor contractor performance in this area through agreed performance indicators.

## **Where can I find further information?**

Please visit our website: [www.platformhg.com/section20-customer-information](http://www.platformhg.com/section20-customer-information) or email [Section20@platformhg.com](mailto:Section20@platformhg.com)

## **Where can I get further independent advice?**

There are a number of reliable organisations that can provide free, independent advice about leasehold matters. Two helpful sources are:

- **The Leasehold Advisory Service (LEASE)** – an independent organisation set up by the Government to provide impartial advice to leaseholders.  
Visit: [www.lease-advice.org](http://www.lease-advice.org)
- **Citizens Advice** – offering independent guidance on housing and financial issues.  
Visit: [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

