

Part of bfl Bromford Flagship LiveWest

LiveWest

Section 20 consultation explained



Sometimes we need to carry out major works - such as replacement door entry systems - or appoint a contractor for a longer period, such as communal cleaning services etc. If you pay a variable service charge, these costs can affect what you pay.

A Section 20 consultation is the legal process we must follow before charging customers above the legal limit for certain works or long-term contracts. Currently the legal limits are £250 for major one-off works (such as door entry replacement) and £100 for long-term service contracts, lasting more than 12 months, e.g. communal cleaning.

When do we consult?

We must consult you when major works are planned and your individual share of the cost may exceed the legal threshold, or when we plan to take on a long-term contract and your annual contribution may exceed the legal threshold. These thresholds are set by law and can change over time.

The consultation stages

The process usually has two stages, though sometimes there is a third. At stages 1 and 2, you will have 30 days to share your thoughts on our proposals.

Stage 1 — Notice of Intention

We write to tell you what works or contract we are proposing and why, how you can submit your comments (called observations), and how you can nominate a contractor if the rules allow this.

Stage 2 — Notice of Estimates/Notice of Proposal

Once we have prices, we write again to share the estimated costs and what they cover, how you can inspect the estimates, our responses to any observations received at stage 1 and how to submit observations on the costs.

Stage 3 —Notice of Reasons

Where required, we send a further notice to confirm which contractor we plan to appoint and when work is expected to start, along with the reasons for our decision — particularly if the chosen contractor was not the cheapest or was not one you nominated.



When a public notice is required

If a contract is large enough to meet public procurement thresholds, currently around £5 million for works contracts and £200k for services contracts, we are legally required to advertise it publicly through the government's **Find a Tender** service.

When this applies, there are two key differences for you.

- First, you cannot nominate a contractor, as the tender must follow strict public procurement rules.
- Second, the process usually runs as two stages rather than three. You can still submit observations at each stage. We will make clear in our correspondence when this applies.



What you can do during consultation

During the consultation you can ask questions, raise concerns about timing, access, quality, or value for money or request to see the estimates.

Where permitted, you can also nominate a contractor. We will read, and consider, every response received by the deadline.



How charges work

Section 20 is about how we select contractors and demonstrate value for money; it does not change how your service charge is calculated.

Your charge will be based on the actual costs of works or services provided to your building or estate, divided in the way set out in your tenancy agreement or lease.

Urgent works

In an emergency, such as an immediate health and safety risk or serious damage, we may need to carry out works before completing the usual consultation process.

Where necessary, we may apply to the First-tier Tribunal for permission to dispense with some or all of the consultation requirements. We will explain the reasons for our decision and keep affected customers informed.

Looking for more information?

Scan the QR code to visit our dedicated webpage, where you'll find more detailed guidance on all the topics covered in this leaflet or please contact us and we will talk you through it.



Scan the QR code to watch our video explaining what a Section 20 notice is

Contact us:

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LiveWest customer portal

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