

Your Service Charges and Ground Rent



01727 819578

www.stalbans.gov.uk/housing/leaseholding

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Dear Leaseholder(s)

When you receive your service charge and ground rent invoice it will appear on this and the next page when it is sent to you as a hard copy in the post.

This booklet also provides information on how you can pay your invoice and includes a summary of the Tenants Rights and Obligations at the back.

Please settle or make arrangements to pay by the due date stated on your invoice.

For the latest leasehold news and information please visit our leasehold webpage:

www.stalbans.gov.uk/housing/leaseholding/

You can also contact the Leasehold Team by email:

leasehold@stalbands.gov.uk

or telephone: **01727 819578**



The Leasehold Service Charges you have been invoiced for vary according to where you live, the type of property you have, and the obligations that are set out in your lease. For example, if you live on an estate, you will receive more services and repairs than if you live in a maisonette. Your Leasehold Service Charges are your share of what it costs us to provide these services.

Ways to pay your Service Charges

Please pay or make arrangements to pay your service charge and ground rent invoice by the date stated on your invoice.

DIRECT DEBIT

Payments can be collected on the first or fifteenth working day of each month by Direct Debit. A Direct Debit form has been enclosed with your invoice of estimated annual service charges and ground rent. Once the Direct Debit Form has been completed please return it the pre-paid envelope provided. We will inform you of the monthly instalments.

ONLINE PAYMENTS

Payments can now be made online, go to www.stalbans.gov.uk and follow the link

- 1) 'Pay', then
- 2) 'Council Rent', then
- 3) e-paycapita.com, then
- 4) [Housing Rents & Garages](#)

Please enter your eight digit owner account reference number stated on your invoice as a reference. Your card details will be taken and payment authorised on-line.

AUTOMATED TELEPHONE PAYMENTS

Debit/credit card payments can now be made 24 hours a day seven days a week. Simply telephone **0161 785 3880**. and select OPTION 2 for housing rent and garage rents. Please enter your eight digit owner account reference number stated on your invoice. Please follow the instructions provided.

STANDING ORDERS PAYMENT INFORMATION

If you choose to pay by this method, please contact your Bank or Building Society to obtain a Standing Order instruction form.

The Council's bank details are as follows:

HSBC, 30 Chequer Street, St Albans, Herts,
Sort Code: 40-40-01 **Bank Account Number:** 01403818

Please quote your owner account reference number in full as a payment reference.

Correct administration using this payment method is a matter between you and your Bank or Building Society.

TEXTPHONE

For further information customers with a hearing impairment please contact the District Council's textphone service on **01727 819570**.

CHEQUES

PLEASE MAKE CHEQUES PAYABLE TO:

'ST ALBANS DISTRICT COUNCIL' quoting your owner account reference number on the reverse of the cheque and return it in the pre-paid envelope provided.

Repayment methods

You can pay your service charges over 12 months interest free by setting up a direct debit or standing order. Major Works can be paid for as shown overleaf.

Major Works Repayment methods

The table shows the interest free repayment methods that are available to you for the amount stated under the Major Works Heading.

£	Repayment Method	Who is Entitled
349 or less	Up to 12 months interest free by direct debit or standing order	ALL*
350 to 1799	Up to 12 months interest free by direct debit or standing order	ALL*
1800 to 4999	Up to 24 months interest free by direct debit or standing order	ALL*
5000 to 9999	Up to 36 months interest free by direct debit or standing order	Owner Occupiers Only**
Over 10,000	Up to 48 months interest free by direct debit or standing order	Owner Occupiers Only**

* Please seek alternative finance if you would like to pay your invoice over a longer repayment term.

** If you do not live at the leasehold address and/or sublet the leasehold property you will only be entitled to an interest free repayment term of up to 24 months for service charges over £5000.

If you sell your leasehold property you will be required to pay any outstanding service charges upon completion of the sale. This includes Major Works.

Citizens' Advice Bureau (CAB)

Your local CAB advice centre will be able to provide you with financial counselling and confidential debt advice. The CAB may also be able to help find a reputable lender for people on benefits and pensioners on low incomes facing large bills.



What you have been invoiced for

You have been invoiced for the following (where appropriate to your leasehold property):

Service Code	Service description	Explanation	Time period covered
ADMI	Management charge	This covers the Council's costs for managing its leasehold properties. It includes staffing costs and overheads and is based on a banding system (A to C).	1st April 2014 to 31st March 2015
ADJ	Adjustment	This item shows an adjustment to reflect the actual costs of last year's service charge.	1st April 2014 to 31st March 2015
CLTG	Communal lighting	The cost of electricity to power communal lighting and electricity in the block where you live. This does not include the costs of replacing light bulbs resetting timers or other repairs to lighting.	1st April 2014 to 31st March 2015
CHTG	Central heating charge	The cost of gas used to provide heating and hot water to your property from the communal boiler (where applicable). This does not include repairs and maintenance carried out to this service.	1st April 2014 to 31st March 2015
CTAK	Caretaking	The costs of providing a caretaker to the block/estate where you live.	1st April 2014 to 31st March 2015
GDRT	Ground rent	A fee paid by you as the leaseholder to us as the freeholder as stated in your lease.	Time period stated in your lease
GRDM	Ground maintenance	The cost of maintaining the communal gardens within a block or estate including grass cutting, sweeping of hard standing surfaces, weed control and shrub bed maintenance.	1st April 2014 to 31st March 2015
INS	Insurance	The cost of providing buildings insurance cover. This includes cover for the structure of the building and the shared areas that we as the landlord maintain. It does not include loss or damage to your contents.	1st March 2014 to 28th February 2015
IRCH	Individual repair charges	The cost of any work we carry out that is exclusive to your property. For example, repairs to your windows.	Actual costs incurred from 1st April 2013 to 31st March 2014
MAJW	Major Works	The cost of any planned maintenance such as roof replacement works, window replacement works, electrical rewiring, painting and decorating of communal areas.	Dependent on project and are based on actual costs incurred.
REPS	Responsive repairs	The cost of day to day communal repairs.	Actual costs incurred from 1st April 2013 to 31st March 2014
SCL	Steam cleaning	The cost of cleaning bin chambers and bin chutes using a high pressure steam cleaner.	1st April 2014 to 31st March 2015
TREE	Tree works	The cost of work to trees in communal areas.	Actual costs incurred from 1st April 2013 to 31st March 2014
WCL	Window cleaning	The cost of cleaning the windows to common parts. This does not include cleaning the windows of your own property.	1st April 2014 to 31st March 2015

You may have taken occupation of your leasehold property after the invoicing period. However, as the lease is an Assignment i.e. the transfer of a property from one person to another, the leaseholder in occupation must settle these Service Charges. You should have been informed of this by your solicitor during the legal process as we send out a Leasehold Information Pack (LIP) to the solicitor during the sales process which includes this information, and, negotiation of apportionments of Service Charges settled between the previous vendor and you via your solicitor. The previous leaseholder's solicitor may be holding retention for some of the service charges. Contact the solicitor or legal conveyancer dealing with the property transaction.

Problems with paying your Service Charges

If you are having difficulties paying your Leasehold Service Charges please contact the Leasehold Team on **01727 819578** or email leasehold@stalbans.gov.uk. Advice is also available from the Citizen's Advice Bureau (CAB). Please do not ignore this invoice as failure to act may result in final demands as legal action may be taken against you.

If you disagree with the Service Charges

If you feel we have worked out some charges incorrectly you must contact the Leasehold Team in writing (emails accepted) before the deadline to pay your service charges as stated on your invoice. Tell us what you think is wrong and we will look into it. We always attempt to calculate charges fairly and correctly but we will investigate and respond to any disputed charge. If you disagree with a particular item of the service charge this does not mean that you should withhold paying the other items of the service charge.



You also have the right to apply to the Leasehold Valuation Tribunal (LVT) an independent decision making body which is completely unconnected to the parties or any other public agency. The LVT will look at the matter of the Leasehold Dispute for the property following an application to the LVT. Both parties must abide by their decision.

For further information on the Leasehold Valuation Tribunal please contact the Leasehold Management Officer. Their address and telephone number is listed at the back of this booklet.

Failure or refusal to pay the Service charges

Outstanding service charges and ground rent payments mean that we have to service the debt by other means whilst still fulfilling providing services in accordance with the lease.

It is unfair to burden the other leaseholders that we manage and for them to be disadvantaged because we cannot make the improvements they demand, due to a few leaseholders failing to pay their service charges and ground rent.

Failure to pay your Leasehold Service Charges will be breaking the terms of your lease and possibly your mortgage agreement. If we do not receive a payment we may instruct our legal department to start proceedings against you. You may then have to pay extra legal and administration charges.

We may take further action in accordance with our arrears procedure which may include contacting your mortgage provider and informing them of any outstanding invoices.

In extreme cases the court may decide that you have seriously broken the terms of your lease and give us possession of your flat. **If you do not pay your Leasehold Charges you could lose your Leasehold property.**



SECTION 21b OF THE LANDLORD AND TENANT ACT 1985 AND SECTION 153 OF THE COMMONHOLD AND LEASEHOLD REFORM ACT 2002

Service Charges – Summary of Tenants’ Rights and Obligations

1. This summary, which briefly sets out your rights and obligations in relation to variable service charges, must by law accompany a demand for service charges. Unless a summary is sent to you with a demand, you may withhold the service charge. The summary does not give a full interpretation of the law and if you are in any doubt about your rights and obligations you should seek independent advice.
 2. Your lease sets out your obligations to pay service charges to your landlord in addition to your rent. Service charges are amounts payable for services, repairs, maintenance, improvements, insurance or the landlord’s costs of management, to the extent that the costs have been reasonably incurred.
 3. You have the right to ask the First-tier Tribunal to determine whether you are liable to pay service charges for services, repairs, maintenance, improvements, insurance or management. You may make a request before or after you have paid the service charge. If the tribunal determines that the service charge is payable, the tribunal may also determine –
 - o who should pay the service charge and who it should be paid to;
 - o the amount;
 - o the date it should be paid by; and
 - o how it should be paid.
- However, you do not have these rights where –
- o a matter has been agreed or admitted by you;
 - o a matter has already been, or is to be, referred to arbitration or has been determined by arbitration and you agreed to go to arbitration after the disagreement about the service charge or costs arose; or
 - o a matter has been decided by a court.
4. If your lease allows your landlord to recover costs incurred or that may be incurred in legal proceedings as service charges, you may ask the court or tribunal, before which those proceedings were brought, to rule that your landlord may not do so.
 5. Where you seek a determination from the First-tier Tribunal, you will have to pay an application fee and, where the matter proceeds to an oral hearing, a hearing fee, unless you qualify for fee remission or exemption.. Making such an application may incur additional costs, such as professional fees, which you may have to pay.
 6. The First-tier Tribunal and the Upper Tribunal (in determining an appeal against a decision of the First-tier Tribunal) have the power to award costs in accordance with Section 29 of the Tribunals, Courts and Enforcement Act 2007.

7. If your landlord –
 - o proposes works on a building or any other premises that will cost you or any other tenant more than £250, or
 - o proposes to enter into an agreement for works or services which will last for more than 12 months and will cost you or any other tenant more than £100 in any 12 month accounting period.
 - o Your contribution will be limited to these amounts unless your landlord has properly consulted on the proposed works or agreement or the First-tier Tribunal has agreed that consultation is not required.
8. You have the right to apply to the First-tier Tribunal to ask it to determine whether your lease should be varied on the grounds that it does not make satisfactory provision in respect of the calculation of a service charge payable under the lease.
9. You have the right to write to your landlord to request a written summary of the costs which make up the service charges. The summary must –
 - o cover the last 12 month period used for making up the accounts relating to the service charge ending no later than the date of your request, where the accounts are made up for 12 month periods; or
 - o cover the 12 month period ending with the date of your request, where the accounts are not made up for 12 month periods.
10. You have the right, within 6 months of receiving a written summary of costs, to require the landlord to provide you with reasonable facilities to inspect the accounts, receipts and other documents supporting the summary and for taking copies or extracts from them.
11. You have the right to ask an accountant or surveyor to carry out an audit of the financial management of the premises containing your dwelling, to establish the obligations of your landlord and the extent to which the service charges you pay are being used efficiently. It will depend on your circumstances whether you can exercise this right alone or only with the support of others living in the premises. You are strongly advised to seek independent advice before exercising this right.
12. Your lease may give your landlord a right of re-entry or forfeiture where you have failed to pay charges which are properly due under the lease. However, to exercise this right, the landlord must meet all the legal requirements and obtain a court order. A court order will only be granted if you have admitted you are liable to pay the amount or it is finally determined by a court, tribunal or by arbitration that the amount is due. The court has a wide discretion in granting such an order and it will take into account all the circumstances of the case.

The summary must be given to you within 1 month of your request or 6 months of the end of the period to which the summary relates whichever is the later.

Useful Contacts

St Albans City & District Council Useful Contacts

Direct Debits

Tel: 01727 819230

Email: andrew.stovell@stalbans.gov.uk

Leasehold Management Officer

Tel: 01727 819578

Email: leasehold@stalbans.gov.uk

Major Works

Tel: 01727 819489

Repairs

Tel: 01727 819256

Email: h.repairs@stalbans.gov.uk

Useful Contacts

Useful Contacts Outside St Albans City & District Council

Citizens Advice Bureau (CAB)

Tel: 01727 811118

Lease

Tel: 020 7374 5380

Email: info@lease-advice.org.uk

Website: www.lease-advice.org

Leasehold Valuation Tribunal

Address: Unit 4C Quern House, Mill Court, Great Shelford, Cambridge CB22 5LD

Tel: 0845 100 2616 or 01223 841 524

Email: eastern.rap@communities.gsi.gov.uk

St Albans Credit Union

Tel: 01727 859135