

Resources

Advice on payment

The Citizens Advice representative strongly discouraged leaseholders from withholding payment. Under the terms of the standard* lease, this may mean that your property could be repossessed.

Under Southwark's standard lease, the freeholder can issue final invoices with a 30-day payment term. These terms are laid out in Clause 5 (1) on page 24 of the standard lease states: "if the service charge... exceeds the amount paid in advance under paragraph 2 or 3 of this Schedule the Lessee shall pay the balance thereof to the Council within one month of service of the said notice"

Making a payment towards an invoice does not automatically indicate agreement/acceptance. Landlord and Tenant Act 1985 Section 27A notes that s27A(5) states that the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment:

<https://www.legislation.gov.uk/ukpga/1985/70/section/27A#commentary-c13238311>

It was advised that leaseholders who may wish to challenge an invoice should indicate that they are making "payment under protest".

- LEASE offer a template letter: <https://www.lease-advice.org/template-document/15-leaseholders-letter-objecting-to-demand-for-service-charges-payment-under-protest/>

Advice for those experiencing financial hardship

LBS *should* consider financial circumstances of leaseholders. Where a leaseholder may be experiencing hardship/problems in regards to paying their major works/service charges they are encouraged to contact their accounts office as soon as possible to discuss the options available to them.

LBS may ask for the leaseholder for proof of financial hardship, such as copies of credit reports or bank statements. They may ask for homeowners to complete a budget sheet to indicate a reasonable repayment plan.

- National Debtline offers a free budgeting tool: <https://tools.nationaldebtline.org/yourbudget/>.
- Leaseholders can read about how to do a financial statement here: <https://www.stepchange.org/debt-info/income-and-expenditure-financial-statement.aspx>
- To find an independent financial adviser try: <https://www.moneyhelper.org.uk/en/getting-help-and-advice/financial->

* Leases may vary from property to property, so leaseholders should check their own

[advisers/choosing-a-financial-adviser](#). Please note that costs might be involved.

Advice for those in receipt of benefits

DWP are not able to help with costs relating to major works, but it is possible to request help with housing costs for service charges.

A leaseholder in receipt of benefits or with a low income (such as a state pension) can get help with service charges if they're reasonable and paying them is a condition of living there. A breakdown of service charges and what they're for must be submitted to the DWP as only certain things are eligible – cleaning and maintenance of own property rather than communal areas for example.

The application is usually done by drafting and sending a letter together with a copy of service charge breakdown to DWP, or requesting help with these costs on Universal Credit journal / calling the Pension Service / Income Support/ Income-related Jobseekers Allowance / Income-related Employment Support Allowance claim line and following up with the local jobcentre. You will not have to pay the DWP back for this help.

Citizens Advice can help with the drafting of an application.

- <https://www.citizensadvice.org.uk/benefits/help-if-on-a-low-income/jobseekers-allowance-isa/help-with-your-isa-claim/check-if-you-can-add-income-based-isa-to-your-claim/#h-working-out-your-client-s-isa-entitlement>
- <https://www.citizensadvice.org.uk/benefits/universal-credit/on-universal-credit/check-how-much-universal-credit-youll-get/#h--a-name-h-2-work-out-what-other-amounts-you-can-get-a-2-work-out-what-other-amounts-you-can-get>
- <https://www.citizensadvice.org.uk/benefits/sick-or-disabled-people-and-carers/employment-and-support-allowance/help-with-your-esa-claim/esa-how-much-you-can-get/>
- <https://www.gov.uk/pension-credit/what-youll-get>