

Major Works Service Charges

Payment Options

On receiving an estimated major works service charge bill, you should contact your Resident Services Officer within 30 days to arrange payment.

Your lease says that this invoice should be paid by four (equal) payments on 1st April, 1st July, 1st October and 1st January. You may make payment by any of the following methods:

- By Standing Order: a bank standing order form is enclosed. When you set up your bank standing order with your bank, please quote Leathermarket JMB Homeowner and the invoice number.
- Direct to our bank account via BACS: to use this method quote Leathermarket JMB Homeowner, Leathermarket JMB's sort code and account number together with your invoice number as a reference.
- By cheque: made payable to Leathermarket JMB Homeowner. Please write your invoice number on the back of the cheque.

Alternative Repayment options

We recognise that major works invoices can be a substantial financial commitment, and offer a number of options outside the strict terms of the lease for spreading the cost:

- **12-month interest-free repayment**

You may pay over 12 equal monthly instalments. You will incur no interest and pay only the amount of the original invoice.

This option is available to all leaseholders, but you should apply to us in writing first.

- **Up to 36-month interest-free repayment**

Resident Leaseholders may settle the invoice up to 36 months (3 years) without paying interest or extra charges, payment is made in equal monthly instalments and must be applied for in writing first. The extended interest free payment schemes are restricted to resident leaseholders only and proof of residency, by way of a copy of a current council tax bill, must be provided.

If this option is agreed, you must start paying immediately. If you miss a payment, the whole amount will become due and interest may be added until the balance is paid.

Where the estimated major works service charge invoice is **higher than £7,000**, resident leaseholders may apply for an extension of the 36 months interest free **period to 48 months**.

Payments plans that extend over 12 months are not an available option for non-resident leaseholders.

You may prefer to arrange finance from other sources. There are a number of alternatives that might be able to offer a better deal or be more suited to you. For example:

- Your current mortgage provider
- Another mortgage lender
- Unsecured loans from reputable high street sources of finance, such as a bank or building society

- **Landlords Service Charge Loan**

If your Major Works estimated invoice is greater than £5000 and you are not a company, you may apply for one of our service charge loans which are administered by Southwark Council. This is secured as a mortgage on the property which can be repaid over a term of up to 25 years. Interest will be charged on the loan. The council will also charge application and redemption fees to cover their legal, administration, checks, and search costs including credit checks.

You should think carefully before taking out a secured loan. If you do not keep up with repayments you could lose your home.

Your application for a loan will be made on an 'execution only' basis. This means no advice will be given to you regarding the secured loan you are applying for and you will have to make your own decision whether to take the loan if one is offered. However, appropriate information will be given to you so you can make an informed decision. You should seek mortgage or financial advice before applying for a secured loan (mortgage). It would also be wise to shop around including, if applicable, approaching your current lender.

To apply for a service charge loan please email:
Hsg.homeownership@southwark.gov.uk:

Please quote your Leathermarket JMB property address and the Major Works invoice number.

The Council will then get in touch about the next steps, please forward all correspondence regarding your loan application to your Resident Services Officer to avoid collection demands. Whilst your application is pending, Leathermarket JMB will not chase for the service charge debt.

Help with debt

If you are having problems paying your major works service charges, please contact us immediately and we will do our best to help you. Do not borrow money to pay off your debts without first seeking independent advice, such as the Citizens Advice Bureau.

In the event that prioritising your debts becomes difficult, you may wish to contact the National Debtline, which offers free independent and confidential advice. They can be via their website www.nationaldebtline.org