



informingyou

## Administration charges for leaseholders



## We are committed to giving our Leaseholders the best services and value for money from their service charges.

Sometimes the Trust has to perform additional work when a Leaseholder has a particular need, for example a licence to make alterations to their home, or if they breach their lease. Such payments are incurred by individuals as the need arises. We consider that it is not fair to expect everyone to pay for administrative charges that only relate to one or two people. Therefore we do not include this type of cost in the service charge and have prepared a menu of fixed charges.

You will always be notified before a charge is incurred. We will also give you a statement which provides a summary of your statutory rights. This is now required for all one-off charges of this nature, in accordance with the Commonhold & Leasehold Reform Act 2002.

All new charges are effective from the 1st April 2008, and are quoted exclusive of VAT.



Services	Charges (£)
Previous year's statement of account (per year)	25
Previous year's repairs report (per year)	25
Payment Card	10
Returned cheques	25
Final reminder letter-overdue payment	10
Postponement of Charges	200
Mandatory or discretionary loan	140
Subletting	
Registration of subletting	30
Subletting-yearly fee	30
Re-sales	
Information pack for solicitors (Excl VAT)	100
Notification Notices (per notice)	30
Re-mortgages	
Balance enquiry for re-mortgages (incl. VAT)	50
Licence for alterations	
Standard	150
Major	200
Retrospective	250
Legal recovery action	
Office copy entry from the land registry (proof of ownership)	20
Letter before court action	50
Legal recovery costs and court costs	Variable
Letter in pursuit of court judgment	25
Section 146 Notice – (forfeiture proceedings)	250
Tracing new address where judgment obtained	100
Other Charges	
Copying of documents, for example the lease	30
Letter regarding breach of lease	50
Visit regarding breach of the lease	200
Purchase of Additional Shares	120
Purchase of Remaining Charges	120

Please note: Charges do not include VAT

## Administration Charges: Summary of Tenants' Rights and Obligations

- 1) This summary, which briefly sets out your rights and obligations in relation to administration charges, must by law accompany a demand for administration charges. Unless a summary is sent to you with a demand, you may withhold the administration 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) An administration charge is an amount which may be payable by you as part of or in addition to the rent directly or indirectly
  - for or in connection with the grant of an approval under your lease, or an application for such approval
  - for or in connection with the provision of information or documents
  - in respect of your failure to make any payment due under your lease; or
  - in connection with a breach of a covenant or condition of your lease.

If you are liable to pay an administration charge, it is payable only to the extent that the amount is reasonable.

- 3) Any provision contained in a grant of a lease under the right to buy under the Housing Act 1985, which claims to allow the landlord to charge a sum for consent or approval, is void.
- 4) You have the right to ask a leasehold valuation tribunal whether an administration charge is payable. You may make a request before or after you have paid the administration charge. If the tribunal determines the charge is payable, the tribunal may also determine:
  - who should pay the administration charge and who it should be paid to
  - the amount
  - the date it should be paid by; and
  - how it should be paid.

However, you do not have this right where:

- a matter has been agreed to or admitted by you;
- a matter has 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 administration charge arose; or
- a matter has been decided by a court.

- 5) You have the right to apply to a leasehold valuation tribunal for an order varying the lease on the grounds that any administration charge specified in the lease, or any formula specified in the lease for calculating an administration charge is unreasonable.
- 6) Where you seek a determination or order from a leasehold valuation tribunal, you will have to pay an application fee and, where the matter proceeds to a hearing, a hearing fee, unless you qualify for a waiver or reduction. The total fees payable to the tribunal will not exceed £500, but making an application may incur additional costs, such as professional fees, which you may have to pay.
- 7) A leasehold valuation tribunal has the power to award costs, not exceeding £500, against a party to any proceedings where:
  - it dismisses a matter because it is frivolous, vexatious or an abuse of process; or it considers that a party has acted frivolously, vexatiously, abusively, disruptively or unreasonably.

The Lands Tribunal has similar powers when hearing an appeal against a decision of a leasehold valuation tribunal.

- 8) 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, a 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.



