

## **SUMMARY OF RIGHTS & OBLIGATIONS:**

### **Payment Methods:-**

CHEQUE: Please write your property address with your name and address on the reverse side of your cheque, make the cheque payable to Stuart Smith and send to **Stuart Smith 49/50 Queen Street, Derby, DE1 3DE**.

Payment is due on the due date as outlined in your lease; interest may be charged at 4% above bank base rate or such other amount as detailed under late payments in the terms of your lease. Please contact the office if you have difficulty paying.

BACS: If you wish to pay by bank transfer our bank details are as follows:-

Account name – Stuart Smith. Sort Code 30-92-59. Account number 00425503.

Please use your property address as a reference when transferring funds. Please note that payments that do not contain a valid reference cannot be allocated & you may therefore receive payment reminders from our office.

CARD PAYMENTS: PLEASE NOTE THAT WE ARE **UNABLE TO ACCEPT A CREDIT CARD AS A METHOD OF PAYMENT**. WE ACCEPT ALL **UK DEBIT CARDS**. Please telephone the office on 01332 340461 to make payment.

### **Problem paying:-**

If you cannot pay your bill please *do not delay* contacting us on 01332 340461; we can suggest alternative ways of settling your account. Due to the nature of Block Management we cannot usually accept payments in instalments by Standing Order. However, in certain circumstances & at our discretion we may allow an instalment plan at a cost of £50+VAT p.a.

### **CHANGE OF ADDRESS/CORRESPONDENCE DETAILS:-**

Please note that Stuart Smith [Derby] Limited have a duty to issue all documentation including service charge demands to the last notified address. If you change your correspondence address or email details, you must notify the office in writing. We will then change our records and confirm new details in writing to you. Failure to notify change of address will result in documentation being served on the last notified address and unpaid service charge arrears may be passed to ground landlord/management company solicitors for recovery action. It is the leaseholder's responsibility to notify the ground landlord/management company c/o Stuart Smith [Derby] Ltd. of any change of address/contact details.

### **DEBT RECOVERY COSTS**

First reminders are issued on behalf of your Management Company or Ground Landlord free of charge. Second or subsequent reminders are charged £30.00 including VAT. We would strongly recommend that you make payment of service charge on the due date.

Lessees should note recovery procedure as follows:- Agent issues 1st reminders after 30 days, followed by 2nd reminders after a further 14 days. If lessees fail to make contact within a further 7 days the file will be passed to leasehold solicitors, usually Taylor & Emmett LLP, for recovery action. Charges to prepare debtors file and pass to solicitors for recovery are £150.00 including VAT. Lessees are under the terms of the lease responsible for all costs including administration fees & solicitor costs. Schedules of costs are included in Leaseholder's Summary of Rights and Obligations issued with annual service charge demand.

## SERVICE CHARGES - SUMMARIES OF RIGHTS AND OBLIGATIONS FOR ENGLAND ONLY

### 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 a 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:-
  - who should pay the service 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 these rights where:

- matter has been agreed or admitted by you;
  - 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
  - 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 a fee remission or exemption. Making an application may incur additional costs, such as professional fees, which you may also 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:-
    - proposes works on a building or any other premises that will cost you or any other tenant more than £250, or 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,
    - 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:-
    - 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

- cover the 12 month period ending with the date of your request, where the accounts are not made up for 12 month periods. 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.
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.

### **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 First-tier 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 First-tier 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 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.

- (7) 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.
- (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.