Your Estimated Service Charge

WELCOME to the estimated service charge edition of Leasehold Focus.

Please find enclosed your bill for your estimated service charge for 1st April 2016 to 31st March 2017. You will need to pay the charges in advance as set out in your lease. For most leaseholders the average estimated service charge bill has increased by 1.8%. In September 2017, we will send you a final bill for the actual cost of providing services for 2016/2017.

New deal for leaseholders

It is clear from your feedback that some of you are concerned about aspects of the service we provide to you as leaseholders, in particular how we communicate with you. So we have started to make a number of changes. We have taken on board your feedback about payment options for major works bills. And we have introduced a new repayment package, including a 10 year repayment option. You can find more detail about this in the table below or on our website, and we will also send out information on the new payment options with your major works bill.

We know we need to do more. We are developing a new service offer for leaseholders which will cover new ways of working on key areas of the service. This will include looking at ways to give you additional information about major works that we plan to do. We are also looking at options for providing new services.

We want to test out our ideas with you. We will be running workshops towards the end of May to look at how we can improve our customer offer to you. Places are limited, so if you would like to be involved please email us at residentengagement@thh.org.uk. We will update you on the workshops in the next edition.

Susmita Sen, Chief Executive

Your quick guide to Major Works Payment Options

<table>
<thead>
<tr>
<th>Option</th>
<th>Invoice Limit</th>
<th>Resident Leaseholders</th>
<th>Non-Resident Leaseholders</th>
<th>Terms of Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 5% discount</td>
<td>Over £1,000</td>
<td>✓</td>
<td>✓</td>
<td>• You must pay the full amount within 90 days from the date of your invoice</td>
</tr>
<tr>
<td>2 2 year interest free</td>
<td>Over £1,000</td>
<td>✓</td>
<td>✓</td>
<td>• Up to 24 monthly direct debit instalments</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Minimum monthly payment £100</td>
</tr>
<tr>
<td>3 Up to 5 year payment period - partially interest bearing</td>
<td>Over £2,000</td>
<td>✓</td>
<td>X</td>
<td>• Up to 60 monthly direct debit instalments</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Minimum monthly payment £100</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Interest free: Years 1-2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Interest charged: Years 3-5</td>
</tr>
<tr>
<td>4 Up to 10 year payment period - partially interest bearing</td>
<td>Over £10,000</td>
<td>✓</td>
<td>X</td>
<td>• Up to 120 monthly direct debit instalments</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Minimum monthly payment £100</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Interest free: Years 1-2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Interest charged: Years 3-10</td>
</tr>
<tr>
<td>5 Voluntary charge on property</td>
<td>No invoice limit</td>
<td>✓</td>
<td>X</td>
<td>• Subject to Financial Inclusion Officer’s approval</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Loan arrangement fee applies</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Compound interest of 0.5% above the Council borrowing rate (currently 5.34%) will be added to the debt each year</td>
</tr>
<tr>
<td>6 Statutory Loan</td>
<td>No invoice limit</td>
<td>✓</td>
<td>✓</td>
<td>Terms and Conditions apply. Please call us for more details: Tel 020 7364 5015.</td>
</tr>
</tbody>
</table>
What does your service charge cover?

Depending on the services you receive your estimated service charge may include some or all of the following

**LEASEHOLD MANAGEMENT**

We estimate the total service cost. We apply this cost to all the homes in your block based on the individual GRV of each home.

**COMMUNITY CARE**

Providing and managing the communal energy supply for communal lighting, lifts, door entry systems, heating systems and water pumps.

**CUSTOMER SERVICE**

You pay for the collection of normal domestic waste from the paladin bins because you pay for this service through your Council Tax.

**CUSTOMER SERVICE**

We estimate how much electricity your block will use and multiply it by 2016-17 prices.

**COMMUNITY CARE**

You pay a proportion of this cost based on the GRV of your home.

**CUSTOMER SERVICE**

You pay an equal share of this cost. If you are a freeholder with an account you pay a percentage of this cost.

**ASB**

Dealing with anti-social behaviour.

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Gas safety – Don’t forget your annual check!

All of your gas appliances, including your gas boiler, gas cooker and gas fire should be safety checked once a year and serviced regularly by a Gas Safe registered engineer. You could be putting you and your family at risk and in possible danger of carbon monoxide poisoning if you don’t.

For more information on gas safety, see Gas Safe website:

**Gas Safe**

Phone 0800 408 5500

Website www.gassaferegister.co.uk

Smell gas? Contact the National Grid Emergency Line on 0800 111 999

Renting out your residential property?

If you rent your property to someone else (sub-let), you will need to register each new tenancy with us. The terms of your lease still apply to you, so you are responsible for your tenants’ conduct, keeping the property in a good state of repair and paying the service charges.

**To register a new tenancy, just follow these 3 simple steps:**

1. Ask us for a Sub-letting Pack which includes a Deed of Covenant and a Change of Contact Details form;
2. Complete, sign and return the Deed of Covenant – along with a £25 registration fee;
3. Complete, sign and return the Change of Contact Details form.

Call us on 020 7364 5015 or visit our website www.thh.org.uk for more information.

**Check your tenant’s right to rent**

You must check that your tenant or lodger can legally rent your residential property. You can be fined up to £3,000 for renting your property to someone who isn’t allowed to rent property in England. The government’s website has more information on ‘tenant’s right to rent’. Visit www.gov.uk/check-tenant-right-to-rent-documents.

**Gas Safety**

If you let your property to someone else, you are legally responsible for making sure your gas appliances, pipework and flues are safe and regularly serviced and safety checked by a Gas Safe registered engineer. It could lead to a criminal prosecution, resulting in a fine or possibly even imprisonment if you don’t. For more information see:

**Health & Safety Executive (HSE)**

Website www.hse.gov.uk/gas

This year, the average annual cost of heating and hot water for leaseholders (whose home is connected to our communal systems) is expected to be about £512. This is £200 less than the average paid by consumers nationally with their own individual systems. We can offer leaseholders a lower rate for communal fuel because we use our ‘size’ as an organisation to buy gas and electricity at low prices.
IMPORTANT CHANGES TO SERVICE CHARGE PAYMENT

The Council has had to change its bank account and you may need to update your records. You should change your LBTH payee details immediately if you pay your service charges by:
— Standing Order
— Online banking through your own bank
— Telephone banking through your own bank

The new details are:

<table>
<thead>
<tr>
<th>Bank</th>
<th>National Westminster Bank plc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch</td>
<td>161 Bow Road, London, E3 2SG</td>
</tr>
<tr>
<td>Account Name</td>
<td>LBTH (SC Collection)</td>
</tr>
<tr>
<td>Sort Code</td>
<td>60-03-19</td>
</tr>
<tr>
<td>Account Number</td>
<td>75667266</td>
</tr>
</tbody>
</table>

You do not need to take any action if you pay your service charges by:
— Telephone payment direct to an officer at Tower Hamlets Homes office
— The Council’s 24 hour automated payment line
— Post Office
— Direct Debit
— By post to the Cashier’s Office

Please do not use the old bank account as your payment may be delayed or rejected.

Ways to pay

Whichever way you decide to pay your bill make sure you have your 11-digit invoice number to hand (printed in the top right-hand corner of your invoice – it starts with 55). Don’t use any other letters or digits. That way we’ll be able to match your payment with your invoice.

Direct Debit
Direct Debit is the most convenient and simplest way to pay bills. Payments are made automatically, so bills are never forgotten. To set up a Direct Debit call us on 020 7364 5015, our phone lines are open 8:30am to 5:30pm Monday to Friday. You’ll need the following information to set up your Direct Debit with us: invoice number, your bank account details and sort code.

Credit or Debit card payments
— By phone
Call our automated payment line on 020 7364 5015 (press 2) anytime to make a payment by phone.
— Online
Why not pay your bill online? It’s quick and easy to do, just logon to: www.towerhamlets.gov.uk. A charge is made for credit card payments.

Internet & Telephone Banking
For internet and telephone banking, please quote LBTH payee details:
Sort Code: 60-03-19
Account Number: 75667266
Reference: Your invoice number

Standing Order
To set up a standing order, please complete a standing order form online from your bank or building society. Alternatively, you can download a standing order form from our website. Please quote LBTH payee details: Sort Code: 60-03-19
Account Number: 75667266
Reference: Your invoice number
Please send the completed form to your bank or building society.

Cheque or Postal Order
Cheques or postal orders should be made payable to: ‘London Borough of Tower Hamlets’. Write your name, address and your 11-digit invoice number on the back of your cheque or postal order. Send it to: Cashier’s Payments, Albert Jacob House, 62 Roman Road, London, E2 0PG.
For postal payment receipts, please provide a self-addressed, stamped envelope.

Are you having difficulty paying your bill?

Tell us if you are having difficulty paying your service charges or if you have been affected by the benefit changes. We can tell you about any financial help you could be entitled to including help from the Department Work & Pensions. No matter how difficult your financial circumstances may seem, we will work with you to help you get your service charge account back on track.

Phone
020 7364 5015

Email
contactus@thh.org.uk

You can get free debt advice from the National Debtline:
Tel: 0808 808 4000
Website: www.nationaldebtline.org
And free benefit advice from the government’s website:
www.gov.uk/benefits-adviser