



Paying for Major Works Resident Leaseholders



We understand that paying for major works can be worrying. That's why we offer resident leaseholders a number of different payment options. We hope the information in this leaflet will help you find the one best suited to your circumstances.

WHEN SHOULD I PAY MY MAJOR WORKS CHARGE?

Payment is due within 21 days of the invoice date. If you are unable to pay in full within 21 days, you must complete and return the payment options form we enclose with your invoice, indicating your preferred payment method.

WAYS TO PAY:	
Direct debit/ Standing order	To set up a direct debit or standing order, you will need to agree a monthly repayment plan with us, simply complete and return the forms we send with your invoice.
By credit or debit card	Using the touchtone service on 020 8690 8707 or online at www.lewisham.gov.uk or www.lewishamhomes.org.uk .
Plastic card	The Major Works Payment Card can be used at any Post Office. You can also use the card to pay by cash at a Pay Point outlet. Get in touch with us to order your card.
Direct payment from your bank account	You can also arrange to transfer your payment directly from your bank account to the Council's bank account. You must quote your 10 digit Major Works account number reference as shown on your invoice. Our bank details are: Name of Bank: Barclays PLC Account No: 93380513 Sort code: 20-00-00

If you would like to talk to us about your major works bill and the payment options available please contact us on the details below.



ONLINE

lewishamhomes.org.uk/
homeownership



EMAIL

homeownershipservices@
lewishamhomes.org.uk



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0800 028 2 028



CHECK OUT OUR ONLINE GUIDE



lhomes.org.uk/
lhguide

LEWISHAM PLUS CREDIT UNION



The Credit Union is a not-for-profit savings and low cost loans service for people living or working in the London Borough of Lewisham and north Bromley postcodes of SE19, SE20, SE26, BR1 and BR3.

Lewisham Plus Credit Union

262 Kirkdale Road
London SE26 4RS

020 8778 4738

lewishampluscu.co.uk

admin@pluscu.co.uk

You may also be eligible for help with paying your Service Charge.

For help with housing costs see the next page >>

INTEREST FREE PAYMENT OPTIONS

To qualify for this option leaseholders must:

- > Live in the leasehold property
- > Complete and return the payment options form within 21 days of the invoice date
- > Repay the whole amount if you sell the property

AMOUNT	REPAYMENT PLAN
For bills up to £3000	24 months interest free
For bills over £3000	36 months interest free
For bills over £10,000	36 months with the option to pay £10,000 over 36 months interest free and any remaining balance over an additional period with interest

THESE INTEREST FREE PAYMENT OPTION PLANS CANNOT BE USED FOR:

- > your annual service charge; or
- > any works carried out inside your property that you have purchased directly from the contractor.

By accepting this interest free payment option, you have not had any of your legal rights removed.

Here's how the interest free payment plan compares to other loan options:

PAYMENT OPTION	COST OF MAJOR WORKS	NUMBER OF MONTHS INTEREST FREE	MONTHLY PAYMENT	TOTAL PAID	TOTAL INTEREST PAID
Council interest free payment plan	£7500	36	£208.33	£7500	£0
External loan with interest of 3.5%	£7500	0	£219.77	£7911.56	£411.56
External loan with interest of 5%	£7500	0	£224.14	£8092.14	£592.14

The Council has made new provision for leaseholders receiving major works bills over £15,000. You can now apply to the Council for a loan. The loan will be interest free for the first 3 years and interest will be payable on the balance for the remaining term, up to a maximum of 10 years. If you are interested in exploring this option please contact a leasehold caseworker.

WHAT HAPPENS IF I DON'T KEEP UP TO DATE WITH MY REPAYMENTS?

If you do not keep to the repayment plan, we may cancel the instalment agreement and the whole cost of the Major Works will become payable immediately.



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OTHER PAYMENT OPTIONS

RIGHT TO A LOAN

Some leaseholders have the Right to a Loan from the Council. This right only applies where the original purchase under the Right to Buy scheme is within the last 10 years. The loans from the Council are secured as a mortgage on the property, they attract interest throughout the term of the loan and have a maximum number of years over which the loan can be repaid.

HOUSING COSTS

If you are in receipt of certain payments from the Department for Work and Pensions, as a leaseholder you may qualify for assistance with some housing costs.

Our Leasehold Caseworkers can give you information about this and assist you with making a claim. Alternatively, our caseworker can make an appointment for you with our Welfare Benefit Advisor who will help you to work through different options and make sure you are claiming all the benefits you're entitled to.

For independent advice, you can contact the benefits service (run by JobCentre Plus)

- [gov.uk/benefits](https://www.gov.uk/benefits)
or the Evelyn 190 Centre
Deptford SE8 5DB,
0208 691 7180.
- [evelyn190centre.org.uk](https://www.evelyn190centre.org.uk)

DISCRETIONARY SERVICE CHARGE LOANS

Lewisham Council offers service charge loans to leaseholders. Leaseholders could benefit from this option if they cannot pay the whole amount within the interest free period. Service charge loans from the Council are secured by a mortgage on the property. Loans are discretionary and subject to conditions and have a variable interest rate

OTHER OPTIONS

If you are considering taking out a loan to pay for the works, it is important that you read all of the terms and conditions carefully.

Some loans have heavy penalties if you wish to pay the debt off early. It is important to remember that if you fail to keep up the repayments, on a loan secured against your property, your home could be repossessed. Before entering into any loan agreement you may wish to take your own legal and financial advice.

If you are thinking of taking a loan from a bank or other high street lender to pay your Major Works you may wish to consider the following points:

- > Almost all loans will charge interest.
- > If you have a mortgage, your lender may agree to loan you the additional amount you need (to cover the cost of the works). This will allow you to repay the loan over the remaining years on your mortgage.
- > Re-mortgaging your home may also be an option to take account of the cost of the works.
- > If the loan is to be secured on your property you may need to pay a valuation fee and legal fees.
- > There may be a charge for arranging the loan.
- > Loans secured against your property often have lower interest, but your home is at risk if you do not keep up the repayments.
- > The longer the loan the more interest you will pay.
- > The interest charged on a loan may be at a fixed or variable rate.
- > Older leaseholders may wish to consider equity release schemes. You will need to seek legal and financial advice.



ONLINE

[lewishamhomes.org.uk/
homeownership](https://lewishamhomes.org.uk/homeownership)



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WHAT HAPPENS IF I CANNOT AFFORD TO PAY FOR THE WORKS OR A LOAN?

If you are in this position it is important that you contact us straightaway. You can discuss your individual circumstances over the phone, or arrange an interview.

Home visits can be arranged if you are unable to come to the office. We will assist you in identifying benefits that you may be entitled to claim and work with you to calculate an amount that you can afford to pay. We will then discuss with you ways that may help to reduce the amount you need to borrow and in doing so reduce the interest that you pay (if you chose a repayment option with interest).

In order to provide this assistance, we will need to assess your circumstances. We will need to ask you to provide full details of your income, expenditure and savings. We can also arrange for you to receive assistance from the Financial Services Authority.

WHAT WILL HAPPEN IF I DO NOT PAY THE MAJOR WORKS BILL?

It is a condition of the lease, for leaseholders to contribute towards Major Works when they are carried out to their block or estate.

Every effort will be made to come to an arrangement that is acceptable to both you and Lewisham Homes as the Council's managing agent. We provide assistance that is generally not available to leaseholders in the private sector, for instance allowing payments by instalment and offering service charge loans.

We will take recovery action for non-payment of charges via the courts but only after we have tried to reach a suitable arrangement with you.

Do it online any time...



Have you signed up to My Lewisham Homes?

Register at lewishamhomes.org.uk



We can give you this information in any other way, style or language that will help you access it.

For other formats contact us



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