

SERVICE CHARGE ARREARS COLLECTION POLICY

The service charge is an essential element within the terms and conditions of the lease of a block of flats or covenants of a managed estate. The lease or covenants for the development set out when, how and in what format the service charge is to be collected. Service charges are payable by all qualifying residents so that the obligations within the lease/covenants can be met, these generally include the provision of Insurance, utilities i.e. communal electric, gas and water, cleaning/window cleaning of common areas, gardening plus the repair and maintenance of buildings and the wider development.

It is the duty of the Managing Agent to ensure service charges are invoiced and collected promptly. At Priory Estates we have a firm policy on the collection of service charges and how we deal with any service charge arrears that arise.

Please note that all correspondence and invoices will be sent to your postal or email address supplied and held on our records. Should your circumstances change please advise us immediately, by email or phone to request a Contact Information Sheet to complete and return.

Service Charge Arrears Collection Policy

1. Priory Estates will raise an invoice on behalf of the client for the service charge contribution due. We attempt to send this to each lessee 14 days in advance of the due date.
2. Should payment not be forthcoming within 14 days following the due date, we will send an initial reminder letter (Reminder Letter). A copy of our arrears policy will be included.
3. Should payment remain outstanding a further 14 days later, then we will send a further reminder letter (Final Reminder Letter). Where the Final Reminder Letter is sent an administration charge of £25 plus VAT will be charged to the lessees account. The fee is to cover the additional administration work beyond the usual management of the building/development in respect of chasing arrears.
4. Should a further 7 days pass without payment of the outstanding service charge then we shall attempt to contact the lessee via telephone or email and a record will be made of any communication or telephone conversation and held on our files.
5. Following a further 5 days should payment still not have been received, despite the original invoice, Reminder Letter, Final Reminder Letter, an email or telephone communication (where possible), then solicitors will be instructed, upon receipt of the director's instructions, to recover the outstanding service charge, any interest due (as outlined in the lease) and any administration charges accrued. The solicitors will be supplied with:-
 - i. A summary of the account outlining all arrears.
 - ii. Copies of all correspondence highlighting the steps taken to recover the outstanding sum.
 - iii. A copy of the lease/covenants for the development.

Where solicitors are instructed an additional administration fee of £50 + VAT will be added to the sum outstanding, this is in addition to the administration fee raised in respect of the Final Reminder Letter. In addition to any fees accrued to Priory Estates, all solicitors and court fees incurred will also be added to the sum outstanding.

Should you find yourself unable to settle your service charge upon demand, whatever the reason, please ensure you contact us to discuss the matter at the earliest opportunity to avoid further action being taken.