

Late/Non-payment Arrears Procedure

It is very important that you pay your service charge on time in accordance with the terms of your Lease/Title Deed. Late payments have a huge impact on the levels of service and maintenance we can provide and ultimately affect your development and your neighbours.

If you're having problems or concerns paying your account, please contact us immediately as we may be able to help.

Our policy on late payment is as follows:

- Agree procedure with client ensuring compliance with the lease, legislation and codes of practice.
- PJS will issue a compliant service charge demand a minimum of two weeks prior to the 'due date' requesting payment to be made within 14 calendar days from the 'due date' as per the terms of the Lease/Title Deed.
- If no payment is received within 14 days after the due date (i.e. 1st January) a letter will be sent confirming payment must be made before the end of the month.
- If payment has not been received by the end of the first month a further reminder will be sent which allows a further 7 calendar days for payment to be made. At this stage a late payment fee of £60 including VAT will be added to the owner's account.
- Following the above process, if payment is still not forthcoming, a final demand will be issued requesting payment to be made within 7 working days, another late payment fee of £60 including VAT will be added and further advising that should the debt remain after this period, the debt will be passed onto Solicitors for recovery. Additional information to be sent at this point – Solicitor details including their fees and Landlord & Tenant Act information.
- Any arrears referred to the Solicitors (on client's instruction) are also reported to the Directors to keep them informed of the number of arrears.
- Should further action be required, the Client may be required to indemnify the agent.

Process	Action Taken	Fees Applied
14 days prior to due date	Service Charge demand sent	
14 days after due date	14 day letter sent	No fee incurred
No payment after 14-28 days	7 day reminder to be sent	£60 fee incurred
No payment after 35 days	7 day reminder to be sent	£60 fee incurred
No payment after 42 days	Pass to Solicitors	£60 fee incurred (Pass to Solicitor)

OFFICE USE ONLY

Due Date

Non Payment of SC – 14 days

Non Payment of SC – 28 days

Non Payment of SC 35 days.
Non payment 42 days.

Activity	Month One				Month Two		
	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7
SC issued 14 day in advance			14 Day Notice		7 Day Notice	7 Day Notice	
Bank Action	Monitor Bank Account	Monitor Bank Account	Monitor Bank Account		Monitor Bank Account	Monitor Bank Account	Monitor Bank Account
Late Payment Notice			1 st Notice		2 nd Notice & demand of £60	3 rd Notice & demand of £60	Demand & £60 sent to solicitor
Letters issued			Issue 1 st late payment reminder		Issue 2 nd late payment reminder	Issue 3 rd payment demand. Final warning	Issue to solicitor prepare file
Payment Received	No Payment Received		No Payment Received		No Payment Received		Issue details to solicitor
Solicitor Engaged							Instruct Solicitor