



Quick Guide and Templates

Requesting Service Charge Information

Introduction

Service charges are payments requested from tenants and residents for services that your housing association has provided. They cause a significant level of dispute between tenants and leaseholders and their landlords.

The laws regulating what can and can't be done by the parties involved are complex, myriad, and in some cases, lack clarity.

We have not therefore attempted to reproduce all the relevant legislation and guidance here, but instead point below to useful websites as sources of information for both tenants and leaseholders.

Leaseholders' Rights

Leaseholders have the right to get information about their service charge expenditure in 2 ways.

The lease (contract) should be checked to see whether there is an obligation on the landlord to provide accounts at the end of the year (this is a contractual obligation). These provisions are mostly found in modern leases. If the lease has such a clause, then you can ask the landlord to comply and provide the information. If the landlord does not do so, it is potentially a breach of contract.

In the absence of a contractual obligation to provide accounts, there is a statutory obligation (meaning it is the law). The law gives leaseholders a right to request a summary of the service charge account (Section 21 notice) and to inspect receipts (Section 22 notice).

Importantly, the law requires the leaseholder to write to the landlord or managing agent and request a summary of the accounts. Once you do that, the summary should be provided

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within one month of your request and importantly this has to be certified by a qualified accountant (defined as an auditor), if there are more than four dwellings.

Be careful that you are not timed out. When you receive your annual statement, you have 6 months to request a certified summary under The Landlord and Tenant Act 1985.

Upon receipt of the Certified Summary, it should clearly state at the end of the document the following wording shown below, and be signed and dated, with the name and address of the Auditor clearly visible. You can then check if the accounting firm is an auditor via www.auditregister.org.uk.



Certificate

We certify that:

- (a) In our opinion the service charge statement is a fair summary complying with the requirements of section 21(5) of the Landlord and Tenant Act 1985.
- (b) The summary is sufficiently supported by accounts, receipts and other documents which have been produced to us.



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We have seen examples accompanied by such introductions as “*our work was carried out having regard to TECH 03/11 Residential Service Charge Accounts published jointly by the professional accountancy bodies ARMA and RICS*”. This is an accountant’s report of factual findings to the landlord, or a letter of factual findings. It is not the same as the legally required **Certified Summary**; note the words ‘We Certify’ are entirely missing.

Further Guidance and Template Letters

For letters to request service charges, see the templates on [LEASE](#) and SHAC’s [Guide to Challenging Service Overcharging for Housing Benefit Recipients](#).



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Useful Websites:

The websites listed below provide useful information on the different service charge entitlements, including which types of tenancies can be charged for services, which services are excluded, and what information the tenant or leaseholder is entitled to receive.

- [The Leasehold Advisory Service](#)
- [The Leasehold Knowledge Partnership](#)
- [The Service Charge Dispute Guide](#)
- [Shelter \(leaseholder rules\)](#)
- [Shelter Guide on Liability for Service Charges \(tenants and leaseholders\)](#)
- [The Housing Ombudsman Service Charge Factsheet](#)

SHAC

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