



Department for Levelling Up,
Housing & Communities

Service charges and major works

DLUHC – August 2023



- **The Government believes very strongly that service charges should be transparent and communicated effectively, and that there should be a clear route to challenge or redress if things go wrong.**
- **Many landlords and managing agents already demonstrate good practice and provide significant and relevant information to leaseholders.**
- **However, too many landlords are failing to provide sufficient information or clarity to leaseholders.**



What are the problems with service charges?

Excessive service charges

- Not delivering value for money
- Being charged for works outside the terms of the lease

Lack of understanding

- Unable to understand service charge accounts or other summaries
- Unable to acquire relevant information

“The government recognises that the existing statutory requirements do not go far enough to enable leaseholders to identify and challenge unfair costs. This is why we will take action to support and empower leasehold homeowners”.



What are the problems with the existing Section 20 process?

Process not fit for purpose

- Too complex
- Too rigid, especially where everyone agrees about nature of works

Lack of transparency

- Don't receive the right level of information to adequately engage

Inability to plan

- Don't receive the right level of information to adequately engage



Service charges

- What information does your landlord provide you about how your service charge is made up?
- Are there any elements of the service charge (or accounts) that you find excessive?
- How responsive is your landlord to requests for any further information?
- What can Government do to improve the transparency of service charges?

Section 20

- What do you like and dislike about the current Section 20 consultation process?
- What can the Government do to ensure the process is more user friendly?