

# Major Works Charges

## A guide for Enfield leaseholders

Understanding Section 20,  
your share of costs, and  
support available



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## 1. WHAT THIS BOOKLET IS FOR

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This guide explains how Enfield major works charges work, including:

- what major works are and why they are needed
- how Section 20 consultation works
- the change from 1 April 2026: billing on estimates
- how we calculate your share (Rateable Value)
- how to pay and what support is available
- what to do if you disagree with the charges

This booklet is general guidance. Your lease is the key document and sets out what can be charged and how costs are apportioned.

## 2. KEY TERMS

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### **Major works**

Large planned repairs or replacements to shared parts of the building or estate.

### **Section 20 consultation**

The legal consultation process required for qualifying works where any leaseholder's contribution is likely to exceed £250.

### **Estimate**

A forecast cost used during consultation and (from 1 April 2026) normally used for initial billing.

### **Actual cost/final account**

The final confirmed cost once works are completed and accounts are finalised.

### **Reconciliation**

The adjustment made when final costs are known: you may get a credit or an additional charge.

### **Rateable Value (RV)**

The method used in most Enfield blocks to apportion costs between flats.



### 3. WHAT MAJOR WORKS ARE (AND WHAT THEY ARE NOT)

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Major works are larger planned repairs or replacements to parts of the building or estate that are shared between residents and for which the Council is responsible under the lease.

Examples of major works include:

- roof replacement
- window replacement (where windows form part of the structure or common parts)
- external walls, balconies, and communal areas
- renewal of shared building components
- water tank replacement
- fire safety works (for example, fire doors or other fire prevention measures)

#### **What major works do not include**

Repairs you are responsible for under your lease. Each lease sets out the repairs and maintenance that the leaseholder must deal with themselves. These are usually works inside your flat and are not communal.

Major works do not include:

- day-to-day responsive repairs inside your home
- internal repairs and maintenance that serve only your flat
- personal alterations or improvements you have carried out

In simple terms:

- If it is inside your flat and only serves you, it is usually your responsibility.
- If it is shared or forms part of the structure of the building, it is usually the Council's responsibility and may be charged as major works, if your lease allows it.

#### **Day-to-day responsive repairs**

Minor or routine repairs to communal areas (for example, small repairs, servicing, or maintenance visits) are not classed as major works. These are normally included within your regular day-to-day service charges.



## 4. HOW WORKS ARE IDENTIFIED AND PLANNED

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Major works are identified and planned through a combination of:

### Planned maintenance programmes

- Routine long-term programmes designed to maintain the condition of council housing stock.

### Capital works programmes

- Larger, multi-year investment programmes approved by the Council to replace or upgrade major building components nearing the end of their life, or to meet statutory and safety requirements.

### Condition surveys and inspections

- Technical inspections used to assess the condition of buildings and identify necessary works.

### Statutory and safety requirements

- Works required to meet legal duties, including fire safety and building safety obligations.

### End-of-life replacement

- Replacement of components that have reached the end of their expected lifespan.

Where possible, works are grouped and programmed to reduce repeat disruption, achieve value for money, and manage costs. However, safety issues or statutory requirements may mean works need to proceed urgently.

### Why are works planned years in advance?

Some major works form part of long-term capital programmes. These programmes plan ahead to replace building elements before they fail and to meet legal and safety requirements.

Planning works in advance helps reduce emergency repairs, manage disruption, and control costs.



Section 20 consultation gives leaseholders the opportunity to comment on the proposed works, how they will be carried out, and their estimated cost. It does not remove the Council's duty to maintain the building, or your right to challenge costs once billed.

## 5. SECTION 20 CONSULTATION: WHAT HAPPENS AND WHEN

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If your estimated contribution for qualifying works is likely to exceed £250, the Council must consult leaseholders under Section 20 of the Landlord and Tenant Act 1985.

The main stages (typical)

### **Stage 1: Notice of Intention (NOI)**

- explains what we propose to do and why
- invites comments (observations) within the stated period
- may invite nominations of contractors (where applicable)

### **Stage 2: Notice of Estimates (NOE)**

- provides estimates and explains how you can inspect them
- invites further observations within the stated period
- explains how we propose to award the contract

### **Stage 3: Notice of Award / Reasons (where required) issued**

where the contract is awarded and a "reasons" notice is required

### **Observations (your comments)**

Observations must be submitted in writing and within the deadline in the notice.

Email: [section20consultation@enfield.gov.uk](mailto:section20consultation@enfield.gov.uk)

Tip: Put the consultation reference and your address in the email subject line.



## 6. BILLING ON ESTIMATED COSTS AND HOW QUALIFYING WORKS ARE RECONCILED (FROM 1 APRIL 2026)

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### What is changing?

From 1 April 2026, Enfield will normally bill major works charges on the estimated cost once the Section 20 consultation has concluded, rather than waiting until all works are complete and final accounts are available.

This change affects timing of billing only, not your legal rights or the consultation process.

### What billing on estimate means in practice

- After Section 20 consultation, we may raise a charge based on the estimated cost.
- Where qualifying works form part of the annual service charge, an estimated qualifying works charge may be included in your service charge estimate from the start of the financial year (1 April).
- When works are completed and the actual cost is confirmed, we will reconcile your account.
- You may receive:
  - a credit if the actual cost is lower than the estimate, or
  - an additional charge if the actual cost is higher.
- You will not be charged twice for the same works. Adjustments will be shown clearly.

### Why the Council is doing this

Billing major works on estimated costs:

- Aligns with the terms of the lease, which allow the Council to demand service charges based on estimated or on account costs, with later adjustment once final costs are known
- Reduces very large one-off bills issued long after consultation has taken place
- Improves financial planning and cash flow for both leaseholders and the Council
- Aligns the timing of billing more closely with when works are carried out



## Qualifying works and the annual service charge

Qualifying works form part of the service charge under the lease, but they are planned, consulted on, and costed separately from day-to-day service charges because they relate to specific major works schemes that are subject to Section 20 consultation under the Landlord and Tenant Act 1985.

Where qualifying works are planned but final costs are not yet available, an estimated qualifying works charge may be included within your annual service charge estimate.

The estimate is based on:

- the scheme costs consulted on under Section 20
- your percentage share, as set out in your lease
- the best information available at the time the estimate is produced

This allows charges to be billed lawfully and on time, rather than waiting until works are fully completed.

## If final costs are not available at year end

In some cases, qualifying works may still be ongoing or final accounts may not yet be agreed when the service charge year ends.

Where this happens:

- the estimated qualifying works charge remains on your account, and
- it is carried forward until the actual cost is known

This ensures charges are not finalised prematurely and that leaseholders are charged accurately once costs are confirmed.

## Replacing the estimate with the actual cost

Once the qualifying works are completed and final costs are confirmed:

- the estimated charge is replaced with the actual cost, and
- any difference is applied as an adjustment (either a debit or a credit)



You will receive a clear breakdown showing:

- the original estimate
- the final actual cost
- how any adjustment has been calculated

### **What does not change**

Billing on estimate does not change:

- the Section 20 consultation requirements
- how your share is calculated under the lease
- your rights to challenge payability, reasonableness, standard of works, or apportionment
- your right to apply to the First-tier Tribunal (Property Chamber)

### **How this affects repayment plans**

Repayment options (where eligible) will be set up based on the estimated amount billed. If a later reconciliation results in a credit or an additional charge, your account (and any repayment plan, where relevant) will be adjusted accordingly.

All charges remain subject to the terms of the lease and to the statutory tests of reasonableness and consultation requirements.



## 7. MANAGEMENT AND ADMINISTRATION FEE

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In addition to the cost of the works themselves, a management and administration fee (currently calculated at 15%) is applied to qualifying major works.

Your lease allows the Council to recover the reasonable costs of managing, administering, and overseeing major works. To reflect the additional work required to deliver major works schemes, the Council applies a management and administration fee calculated as a percentage of the total block cost.

### **What the management and administration fee covers**

The fee contributes towards the Council's scheme-specific costs associated with delivering major works, including (but not limited to):

- project coordination and oversight
- financial management
- procurement, compliance, and governance requirements

These activities arise because a major works scheme is being delivered and are separate from the routine housing management and leasehold administration functions already covered by the day-to-day service charge.

The management and administration fee is not a profit. It reflects the Council's costs in delivering and managing major works in line with its legal and contractual obligations.

### **How the fee is charged**

The management and administration fee forms part of the recoverable service charge and is apportioned to leaseholders in accordance with the lease, using the same percentage share as the main works costs.



## Example: how the management and administration fee is calculated

### Total cost of works to the block:

£200,000.00

### Management and administration fee (15%):

£200,000.00 × 15% = £30,000.00

### Total block cost including management fee:

£200,000.00 + £30,000.00 = £230,000.00

### Apportionment to an individual leaseholder

If your percentage share of the block costs (based on your lease apportionment) is **8.38%**, your contribution would be:

£230,000.00 × 8.38% = **£19,274.00**

This figure includes:

- your share of the **works cost**, and
- your share of the **management and administration fee**

The same percentage share is applied to both the works and the management fee, in line with the lease.



## 8. YOUR INVOICE: WHAT IT INCLUDES AND WHAT TO CHECK

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You will receive a major works invoice showing your share of the costs billed (from 1 April 2026, this will usually be the estimate, followed by reconciliation when final costs are known).

### What to check

- confirm that the works description matches what was consulted on
- check that the block or estate name is correct
- check that the percentage share shown matches the percentage used in the Section 20 consultation estimate
- compare the amount billed to the apportioned estimate provided during consultation, noting whether it is an estimated charge or a reconciled adjustment
- check that any credits or adjustments are clearly shown

During the Section 20 consultation process, we already provide:

- the total estimated block cost, and
- your estimated contribution, based on your percentage share

The invoice reflects this consultation information, rather than repeating the full cost breakdown again.

If you believe there is an issue with the estimated cost provided during consultation (for example, the scope of works or the apportioned estimate), you should contact the Service Charge and Major Works Team:

Telephone: 020 8375 8006

Email: [section20consultation@enfield.gov.uk](mailto:section20consultation@enfield.gov.uk)

Please quote your block, property address, and the consultation reference where possible. If something looks wrong, contact us promptly and explain clearly what you think is incorrect.



## 9. HOW AND WHEN TO PAY

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### **Quarterly payment dates (service charges, including estimated qualifying works)**

Under the terms of your lease, service charges are payable in advance on:

- 1 April
- 1 July
- 1 October
- 1 January

Where qualifying works (major works schemes consulted on under Section 20) are planned but final costs are not yet available, an estimated qualifying works charge may be included within your annual service charge estimate. This means it can be collected through the quarterly payment dates above (or by monthly instalments, where agreed).

### **When a separate major works invoice or demand is issued**

Where a separate major works invoice or demand is issued (for example, for the final account following completion of works), the charge is payable on demand in accordance with the lease.

If payment is not made within 14 days of the invoice date, interest may be charged in line with the lease.

### **Interest on late payment**

Where a major works charge (or part of it) remains unpaid after 14 days, the lease allows interest to be charged at 2% above the Council's base rate, calculated from the date the payment became due until it is paid.

### **Paying by instalments**

If you are unable to pay, repayment options may be available depending on your circumstances and whether you live in the property.

Repayment arrangements are not automatic and must be requested as early as possible. Until a repayment plan is agreed, the full amount remains due.



Details of repayment options are set out in Section 10.

## Ways to pay

You can pay your major works charge using the following methods:

### Direct debit

A mandate can be downloaded from our website:

[www.enfield.gov.uk/services/housing/council-housing/service-charges](http://www.enfield.gov.uk/services/housing/council-housing/service-charges)

### Online card payment

Pay via Enfield's major works charges webpage.

[www.enfield.gov.uk/servicecharge](http://www.enfield.gov.uk/servicecharge)

### Bank transfer

- Bank: HSBC
- Sort code: 40-20-23
- Account number: 81228307
- Reference: your full payment reference number

Please note that bank payments can take up to 10 working days to appear on your account.

If you pay by direct debit, payments will adjust automatically following the issue of actual costs.



## 10. REPAYMENT OPTIONS AND FINANCIAL ASSISTANCE

We recognise that major works bills can be difficult to pay in one instalment. Enfield offers repayment options depending on whether you are a resident or non-resident leaseholder.

### 10.1 Resident leaseholders (you live in the property)

#### Option 1: Up to 2 years interest-free (resident leaseholders)

Resident leaseholders are entitled to a two-year interest-free period on major works charges, starting from the date the invoice is issued.

During this two-year period, no interest will be charged.

This option:

- is available from the invoice date
- is available regardless of the invoice amount
- allows payments to be made by instalments during the interest-free period

If any balance remains outstanding after the two-year interest-free period, interest will be applied to the remaining balance in accordance with the lease.

Repayment arrangements may extend beyond two years, depending on the amount owed and the leaseholder's circumstances. Where this happens, interest will apply only after the initial two-year interest-free period has ended.

#### Option 2: Extended repayment plan (for invoices £7,200+)

For invoices £7,200 or more, additional repayment terms are available to cap contributions at £300 per month (you can pay more if you wish).

Maximum repayment terms:

- £7,200 to £10,800: up to 3 years
- £10,801 to £14,400: up to 4 years
- £14,401 to £18,000: up to 5 years
- £18,001 to £21,600: up to 6 years
- £21,601 to £25,200: up to 7 years
- £25,201 to £28,800: up to 8 years
- £28,801 to £32,400: up to 9 years
- Above £32,401: up to 10 years



## Interest

Interest rates are variable and based on the Council's rate of borrowing. Rates are set each year from 1 April to 31 March. Interest is calculated monthly and added to your major works account. Interest is payable on any balance that remains outstanding after the initial 2-year interest free period.

## Financial hardship (resident leaseholders)

In some cases, repayment periods can be extended further where you meet the criteria. You will need to complete an income and expenditure form and provide supporting evidence.

### 10.2 Non-resident leaseholders (you do not live in the property)

Payment is due within 14 days of the invoice. In certain circumstances, we may consider an extended repayment term of up to 2 years with interest, where financial hardship can be demonstrated.

### Important:

Registered companies are not eligible and must pay in full within 14 days

### 10.3 How to discuss repayment options

If you are unable to pay your major works invoice in full, you should contact Home Ownership Services - Income and Dispute Resolution Team as early as possible to discuss whether a repayment arrangement may be available.

Repayment options are not automatic and will depend on your circumstances and eligibility.

Contact details:

Telephone: 020 8375 8005

Email: [hoincome@enfield.gov.uk](mailto:hoincome@enfield.gov.uk)

Until a repayment arrangement is agreed, the full amount shown on the invoice remains payable in line with the lease.



## 11. IF YOU'RE SELLING, BUYING, OR SUBLETTING

### **Selling your property**

If you are selling your property, your solicitor will usually request a resale information pack (LPE1) from the Council.

The seller is responsible for purchasing the LPE1 pack.

The LPE1 provides key information to the buyer and their lender, including:

- current service charge and major works account balances
- details of any ongoing or recent Section 20 consultations
- information about planned or anticipated major works
- building insurance and management details

Any outstanding major works charges or anticipated costs are normally dealt with through the sale process between buyer and seller, based on their solicitors' advice.

You should tell your solicitor as early as possible if:

- you are in an active Section 20 consultation, or
- you have received, or expect to receive, a major works invoice

### **Buying a property**

If you are buying a leasehold property, your solicitor should obtain the LPE1 resale pack from the seller.

You should not rely solely on past service charge levels. The LPE1 will help you understand:

- whether major works are planned or underway
- whether charges have already been billed on estimate
- whether further costs may be reconciled later

If you are unsure about information in the LPE1, raise this with your solicitor before exchange of contracts.

### **Subletting your property**

Subletting does not change your liability under the lease. You remain responsible for all service charges and major works charges, whether or not you live in the property.



Any arrangements with your tenant are private matters between you and them and do not affect your obligations to the Council.

## **12. IF YOU DISAGREE WITH THE CHARGE**

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If you think a charge is wrong, be clear what you are disputing. Most challenges fall into these categories:

### **A) Recoverability (is it chargeable under the lease?)**

We will check the relevant lease clauses.

### **B) Apportionment (is your share calculated correctly?)**

We will check the RV figures and percentage share calculations used.

### **C) Reasonableness (was the cost reasonably incurred?)**

Leaseholders can challenge whether costs are reasonable.

### **D) Standard of works (was it done to a reasonable standard?)**

You can raise issues about workmanship and quality.

### **Tribunal route**

Leaseholders have the right to apply to the First-tier Tribunal (Property Chamber) to decide whether a charge is payable and, if so, how much.



## 13. INDEPENDENT HELP AND ADVICE

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If you want independent advice about your rights as a leaseholder, major works charges, or the Section 20 consultation process, you can contact the following organisations.

### Leasehold advice and rights

- Leasehold Advisory Service (LEASE)  
Provides free, impartial advice funded by the government on leasehold law, service charges, Section 20 consultation, and tribunal applications.  
Website: [www.lease-advice.org](http://www.lease-advice.org)
- First-tier Tribunal (Property Chamber)
- An independent tribunal that can decide whether a service charge is payable and, if so, how much. Your right to apply is set out in the statutory summary at the end of this booklet.
- Website: [www.gov.uk/courts-tribunals/first-tier-tribunal-property-chamber](http://www.gov.uk/courts-tribunals/first-tier-tribunal-property-chamber)

### Debt, money, and benefits advice

If you are struggling to pay, you may find it helpful to seek independent financial advice from:

- National Debtline  
[www.nationaldebtline.org](http://www.nationaldebtline.org)
- StepChange Debt Charity  
[www.stepchange.org](http://www.stepchange.org)
- Civil Legal Advice  
[www.gov.uk/civil-legal-advice](http://www.gov.uk/civil-legal-advice)
- Citizens Advice (including Enfield Citizens Advice)  
[www.citizensadviceenfield.org.uk](http://www.citizensadviceenfield.org.uk)

You may also wish to check whether you are entitled to support through the Department for Work and Pensions (DWP) or Pension Credit.

### Important note

Independent organisations can explain your rights and options, but they cannot change the terms of your lease or agree repayment arrangements on the Council's behalf. For repayment discussions, you must contact Home Ownership Services - Income and Dispute Resolution Team (see Section 10).



## 14. KEY CONTACTS

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If you have questions about your service charge, payment options, or your statement, please contact the Home Ownership team.

### **Income and Disputes Resolution Team**

For:

- major works invoices
- repayment options and Leasehold Financial Assistance
- payment difficulties and disputes about charges

Email: [hoincome@enfield.gov.uk](mailto:hoincome@enfield.gov.uk)

Telephone: 020 8375 8005



## APPENDIX A - SUMMARY OF TENANTS' RIGHTS AND OBLIGATIONS

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1. This summary, which briefly sets out your rights and obligations in relation to variable service charges, must by law accompany a demand for service charges. Unless a summary is sent to you with a demand, you may withhold the service charge. The summary does not give a full interpretation of the law and if you are in any doubt about your rights and obligations you should seek independent advice.
2. Your lease sets out your obligations to pay service charges to your landlord in addition to your rent. Service charges are amounts payable for services, repairs, maintenance, improvements, insurance or the landlord's costs of management, to the extent that the costs have been reasonably incurred.
3. You have the right to ask the First-tier Tribunal (Property Chamber) to determine whether you are liable to pay service charges for services, repairs, maintenance, improvements, insurance or management. You may make a request before or after you have paid the service charge. If the tribunal determines that the service charge is payable, the tribunal may also determine:
  - who should pay the service charge and who it should be paid to;
  - the amount;
  - the date it should be paid by; and
  - how it should be paid.

However, you do not have these rights where:

- a matter has been agreed or admitted by you;
  - a matter has already been, or is to be, referred to arbitration or has been determined by arbitration and you agreed to go to arbitration after the disagreement about the service charge or costs arose; or
  - a matter has been decided by a court.
4. If your lease allows your landlord to recover costs incurred, or that may be incurred, in legal proceedings as service charges, you may ask the court or tribunal before which those proceedings were brought to rule that your landlord may not do so.



5. Where you seek a determination from the First-tier Tribunal, you will have to pay an application fee and, where the matter proceeds to an oral hearing, a hearing fee, unless you qualify for fee remission or exemption. Making such an application may incur additional costs, such as professional fees, which you may have to pay.
6. The First-tier Tribunal and the Upper Tribunal (in determining an appeal against a decision of the First-tier Tribunal) have the power to award costs in accordance with section 29 of the Tribunals, Courts and Enforcement Act 2007.
7. If your landlord:
  - proposes works on a building or any other premises that will cost you or any other tenant more than £250; or
  - proposes to enter into an agreement for works or services which will last for more than 12 months and will cost you or any other tenant more than £100 in any 12-month accounting period, your contribution will be limited to these amounts unless your landlord has properly consulted on the proposed works or agreement or the First-tier Tribunal has agreed that consultation is not required.
8. You have the right to apply to the First-tier Tribunal to ask it to determine whether your lease should be varied on the grounds that it does not make satisfactory provision in respect of the calculation of a service charge payable under the lease.
9. You have the right to write to your landlord to request a written summary of the costs which make up the service charges. The summary must:
  - cover the last 12-month period used for making up the accounts relating to the service charge ending no later than the date of your request, where the accounts are made up for 12-month periods; or
  - cover the 12-month period ending with the date of your request, where the accounts are not made up for 12-month periods.

The summary must be given to you within one month of your request or six months of the end of the period to which the summary relates, whichever is later.
10. You have the right, within six months of receiving a written summary of costs, to require the landlord to provide you with reasonable facilities to inspect



the accounts, receipts and other documents supporting the summary and for taking copies or extracts from them.

11. You have the right to ask an accountant or surveyor to carry out an audit of the financial management of the premises containing your dwelling, to establish the obligations of your landlord and the extent to which the service charges you pay are being used efficiently. It will depend on your circumstances whether you can exercise this right alone or only with the support of others living in the premises. You are strongly advised to seek independent advice before exercising this right.
12. Your lease may give your landlord a right of re-entry or forfeiture where you have failed to pay charges which are properly due under the lease. However, to exercise this right, the landlord must meet all the legal requirements and obtain a court order. A court order will only be granted if you have admitted you are liable to pay the amount or it is finally determined by a court, tribunal or by arbitration that the amount is due. The court has a wide discretion in granting such an order and will take into account all the circumstances of the case.



**Contact Enfield Council**

Civic Centre  
Silver Street  
Enfield  
EN1 3XY

[www.enfield.gov.uk](http://www.enfield.gov.uk)

