

Appendix 1

Recommended payment options:

1. **Offering both resident and non- resident leaseholders a discount of 5% for prompt payment for major works invoices over £2,000 where payment is made in full within 28 days of the date of the invoice.**
2. **Extended interest free payments to resident and non- resident leaseholders as detailed in 2a and 2b below:**
 - 2a. Subject to means testing Interest free payments for all resident leaseholders for up to 24 months for invoices over £1000, and 36 months is offered at discretion on invoices of over £6,000.
 - 2b. Subject to means testing Interest free payments for all non-resident leaseholders for up to 24 months for invoices over £1000, and 36 months is offered at discretion on invoices of over £6,000 where the leaseholder can show exceptional circumstances, for example:-
 - a. Providing care to a family member and requiring them to reside with that family member.
 - b. Working away from the locality.
 - c. Relationship breakdown or fleeing domestic violence.
 - d. Financial difficulty
3. **Extended interest charging payments:** Subject to qualifying for 2 above, both resident and non-resident leaseholders who have successfully secured the 24 or 36 interest free extended payments will be eligible for a further 3 and 2 years respectively, of interest charging extended payment at Council's rate (Current Interest rate 5.34%).
4. **Voluntary charge on property.** In exceptional circumstances an original RTB leaseholder, over 60 or receiving full benefit can apply for a voluntary charge that places a debt on his/her property equal to the invoice value plus a charge at 0.5% above Council borrowing (currently at 5.34%) until redeemed.
5. **Discretionary capping of invoice to £10,000.** Criteria were confirmed in the Leasehold Policy Review agreed by Cabinet in February 2011 – re: clause 6.7 of the report.
6. **Statutory Council loans.** Statutory loans can be accessed by all leaseholders whose flats were purchased (by themselves or their predecessors) under right to buy, and are within the first ten years of their lease. Currently, the take up for these loans and their exposure to the Council is negligible – re clause 6.8 of the report.