

Service Charges

Aims



- To provide clarity as to what service charges are
- To provide greater insight to our residents
- To provide a forum for our residents
- To deliver on our “New Deal” promises

Service Charges - What Are they?



- A service charge is a payment made by a leaseholder/shared owner or tenant towards the costs of providing services such as:
 - Grounds maintenance
 - Caretaking
 - Building insurance
 - Service contracts for lifts and door entry systems for example
 - Management costs.
 - Communal repairs (leaseholders only)
- These charges will vary according to the services you receive and are raised in line with the conditions of your tenancy or the requirements of your lease.
- Leaseholders/shared owners of flats and houses contribute to their proportion of the cost of this building insurance in their service charges. Tenants pay toward this in their rent.

How do We Calculate Service Charges?



- Your service charges are set every year to cover the cost of services that Housing Solutions provides to the common parts of your block or estate.
- Leaseholders/shared owners and the majority of our tenants pay a variable service charge. This means that each year we will give you an estimate of what we think the cost will be for providing these services.
- At the beginning of each year we will send you estimated service charges which are based on the amount spent in the previous year, including inflation.
- After the close of accounts on 31 March each year, the actual service charges are calculated by collating all the invoices relating to what was actually spent on the block/estate during that year.

Service Charge Calculation



How has my contribution to the service charge been calculated?

- The portion that you contribute to the service charges has been calculated according to the terms of your lease or conditions of tenancy. Charges are typically apportioned based on either the relative floor area of your property, split evenly across all properties or by rateable value.

When do Housing Solutions send the service charge bills?

- It is a legal requirement that we provide you with at least 30 days' notice of the service charge bill. For the estimated service charges, you will receive notification by the end of February each year for the charges for the year commencing 1 April.
- We will send you a statement six months (by the end of September) after the end of the financial year letting you know how much we have actually spent on services provided to you.

Service Charge Calculation



How are variations between the estimates and actual service charges managed?

- The actual service charge statement will show you how the actual expenditure compares to that year's estimate. If the amount is higher than the estimate (an underpayment), we will ask you to pay the difference. If it is lower (an over payment) we will refund you.

How do I pay my service charges?

- If you are a leaseholder: you are invoiced for the first 6 months of the estimated service charge in April and the second 6 months in September. You are legally required to pay these invoices within 30 days of the invoice being received.
- If you are a shared owner: your service charge is spread over the next 12 months' period.

Estimates - 2021-22



Estimates are to be published for the next financial year to run from April 2021 to March 2022

- Costs have been based upon this period and prior years to establish greater accuracy in the likely costs that will occur next year
- Costs have been reviewed to ensure they are reasonable and fair
- Caretaking costs
- Gardening costs
- Newer schemes have will experience a greater increase in costs as more service become active in year
- Increase seen in 3rd Party Management Costs above inflation

Service Charge Payment



- Our preferred method of payment is by direct debit. Please contact us if you wish to set up this way of paying.
- If you are experiencing difficulties in paying, please contact us without delay so that we can support and advise you so that you keep your arrears to a minimum and set up a repayment plan where necessary.
- If you think you are paying an unreasonable amount for your service charge you have the right to challenge this.

Homeowner Engagement

Our Engagement Panels



Customer Scrutiny Panel

Sheltered/Extra
Care Panel

E-Panel

Homeowner
Panel

Inclusion
Champions - TBC

Estate
Champions - TBC

Ad hoc customer involvement/consultations/engagement

Our Engagement Panels



Customer Scrutiny Panel (SIT) – overarching scrutiny Panel that all other panels feed into. New and existing services and policies are reviewed by the Panel. They meet bi-monthly.

E-Engagement Panel – all customers can be part of this. Will be sent surveys and information relevant to interests to feedback on to Housing Solutions. No commitment and mainly conducted online.

Our Engagement Panels



Homeowner Panel – a new engagement Panel designed specifically for homeowners. Aim is to meet with Panel quarterly.

Its Purpose:

- To improve communication and understanding
- To Improve Customer Satisfaction
- To review and provide cost effective services
- To review policies

Get in touch



If you would like to get involved, or just find out more,
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