

# Service Charge Policy

## What you need to know

Service charges pay for services to your home or building that are not covered by your rent. These are things that help keep shared areas safe, clean and well looked after. This page explains what service charges are, what you may pay for, and what to do if you have questions.

**Who this applies to;** Tenants, Leaseholders, Shared owners, Freeholders, Licensees.

## What service charges pay for

Depending on where you live, service charges may include:

- Cleaning of shared spaces.
- Gardening and grounds maintenance for shared spaces.
- Lighting in shared spaces.
- Management and administration costs for providing the services.
- Repairs and maintenance to shared spaces.
- Major works (for some leaseholders, sometimes through a sinking fund).

We **do not** make a profit from service charges. We only charge what it costs to provide the service.

## Types of service charges

You may have one of the following:

- **Fixed charges** - These are set in advance and don't change during the year.
- **Variable charges** - These are set at the beginning of the year using our best estimate, with an adjustment once the actual cost is known. For rented properties the adjustment will be made to a future year's charge, for leases you will receive a letter advising you whether there is a surplus or deficit on the estimate set.
- **Hybrid charges** - A mix of fixed and variable charges.

Your tenancy or lease will tell you which type you have. New tenancies since May 2017 use fixed charges with annual reviews.

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## How charges are set

- Costs are shared fairly between homes that receive the service.
- Fixed service charges are based on the actual costs of providing the services at the time the property is let.
- If a service is provided by another company, we may pass on the cost with a small admin fee or management charge to cover our costs of managing the services we deliver inline with the tenancy agreement or lease.
- Charges are reviewed regularly to make sure they are reasonable and good value.

## Changes to services or charges

Where we want to change how a service is delivered or provide a new service, where your tenancy or lease allows we will follow the provisions within the terms to consult you on any changes.

We'll always aim to explain changes clearly and listen to feedback.

## Paying service charges

Service charges are collected in line with your tenancy agreement, licence or lease and our Income Collection Policy. If you're worried about paying, please talk to us as early as possible, we're here to help.

## If you don't agree with a charge

1. Contact us first so we can look into it.
2. If needed, you can use our Complaints Policy.

Depending on your tenancy type:

- Some customers can apply to the First-tier Tribunal.
- Fixed charge tenants can contact the Housing Ombudsman.

You can read [the full Service Charge Policy](#) on our website.