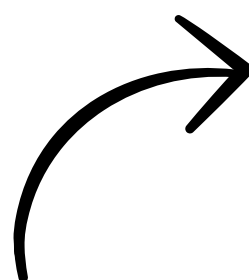


Havebury
Housing Partnership



Your 2022/23 **service charges** explained



Scan here to view our frequently asked questions.

Glossary

Resident

A person who rents one of our homes.

Homeowner

This includes shared owners, homeowners and leaseholders.

Surplus

If we spend less than the estimate that you've already paid.

Deficit

If we spend more than the estimate you've already paid.

UC

Universal credit

HB

Housing benefit

DWP

Department of work and pensions

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Our teams are here to help!

We've added some FAQs to our website. Scan the QR code on the front page to view them.

For more information on how to contact our teams, see page 12.

What is a service charge?

A service charge is a payment towards the cost of providing and maintaining communal services associated with your home. This could include grass cutting, window cleaning or a door entry system in your block.

Or there may be some personal utilities, such as heating supplied by a communal heating system. This charge is in addition to any rent or ground rent you may pay.

Your statement outlines which services you are being charged for, and you'll find full descriptions of these services on pages 9 and 10.

What are eligible and ineligible service charges?

Eligible service charges - These charges can be covered by housing benefit (HB) and universal credit (UC). They are typically costs relating to communal areas. For example:

- Grass cutting
- Cleaning in communal areas
- Removing fly tips in communal areas

Ineligible service charges - These are costs relating to your home only. For example:

- Gas, electricity and water that are supplied to your home through a communal system (see page 10 for more information).
- Sewage plants, bio-disc and septic tanks (see page 10 for more information)
- Building insurance

Ineligible charges can't be covered by housing benefit (HB) and universal credit (UC). You need to pay these charges yourself.

What is meant by scheme and block?

A scheme - This is a group of homes that share the same services. For example, grass cutting that benefits all the residents who live within that area.

A block - This is a collection of homes within a scheme that share a service. For example, communal lighting in a block of flats.

How are costs allocated?

Communal costs are split between all the households that have an agreement with us and benefit from the service. For example:

- If grounds maintenance work is carried out in a scheme that includes 30 homes that have an agreement with us. Each household will pay 1/30th of the cost.
- If communal lighting is installed in a block of flats that includes 5 homes. Each household will pay 1/5th of the cost.

Your statement will show the total charge for the service, plus the number of households this is split between. This is referred to as **apportionment**.

How are service charges calculated?

In April of each year, we'll provide you with an estimate.

The estimate will include the costs we think will be spent during the upcoming financial year (April-March). We do this by looking at what was spent during previous years, taking the following factors into account.

- Any contract changes that have been made, or that are likely to be.
- Inflation.
- Changes to the service we are providing.

Some costs are difficult to estimate, such as responsive repairs. So, we'll base this estimate on what was spent the previous year.

Our service charge estimates are calculated before the start of each financial year, beginning in April, and we will notify you of these 30 days in advance, showing the amount you will pay during the upcoming year.

In September, we'll send you your statement detailing what was actually spent.

At the end of each financial year, we review what has actually been spent on providing communal services. **This ensures you will only pay for what has actually been spent.** You will always receive your statement within six months of the end of the financial year - by 30 September in any given year - like this one!

What is meant by surplus and deficit?

Surplus - If we spend **less** than the estimate that you've already paid, this will show on your statement as a 'surplus'. **This means we owe you this surplus.**

Deficit - If we spend **more** than the estimate that you've already paid, this will show on your statement as a 'deficit'. **This means you owe us this deficit.**

What happens now?

Service charges work on a three-year cycle (see page 11)

If you are a resident - We don't refund surpluses directly to residents, and we also don't request that you pay any deficit. Instead, we will use the surplus/deficit to make an adjustment to next year's estimate. For example, In April 2024, you'll receive your 2024/25 service charge estimate, which will include any 2022/23 adjustments.

If you are a homeowner - Your 2022/23 surplus/deficit adjustment will be added to your account.

If the resulting balance on your account remains a deficit, under the terms and conditions of your lease agreement, you are required to pay us this amount in full by 31 October 2023. However, we do offer the option of including any deficit within your current direct debit plan as long as the account has a clear balance by the end of March 2024.

If the resulting balance on your account is a surplus, this can be left on your account to go towards future service charge payments. Alternatively, if you are up to date with all your payments, you can request a refund of your account balance.

If you'd like to request a refund, please contact our Income team. You'll need to confirm your bank details (name of account holder, bank name, sort code and account number). If you are a joint agreement holder and you want it refunded to a sole bank account, we'll need written permission from the other agreement holder before we can process the payment. Please have this information ready before contacting us.

If you receive UC, please contact our Income team, so we can update your records. If we have not heard from you by 31 October and you pay via direct debit, we will automatically amend your direct debit to reflect the payment change until the end of March 2024.



Housing benefit (HB)

If you are a resident - If you receive housing benefit from your local authority and they pay us directly for some, or all, of your rent or service charge, you do not need to do anything - we will notify your local authority of any changes directly.

If you are a homeowner, you will need to notify the benefit authority yourself and update them on the changes to your rent or service charge.

Universal credit (UC)

If you receive UC, you will need to inform the Department for Work and Pensions (DWP) of any changes on your UC claim. We will notify you of your new service charge estimate next March.

You do not need to do anything now. Please note that you cannot update your UC claim until the day in April 2024 that the new charges take effect.

If you are a resident - You must declare your **weekly** rent amount on **Monday 1 April 2024**, even if you pay monthly.

If you are a homeowner - You must declare your **monthly** rent amount on **Monday 1 April 2024**.

Please note: Ineligible services charges are not covered by HB or UC.

Cost of living support



Everyone is feeling the extra pressure because of increased bills and living costs. We have put together some resources that you may find useful over the coming months.

How we can help

There are several ways we can help and support you. We have summarised some of these below, but there are others. Please get in touch with us if you know paying your rent will be a problem.

- Our Welfare and Benefits team can help you review your income and expenditure and offer advice on ways to maximise your income.
- Our support fund – this is open to all residents and shared owners who are struggling to make their payments due to financial challenges. It provides temporary relief from genuine hardship and is not intended as a means of long-term support. There are specific criteria that need to be met.

The administration and issuing of the above funds will be at our discretion and on a case-by-case basis. Please get in touch if you think we can help.

For advice about your benefits, call 0300 3300 900, selecting options 3,4 and 1 or extension 7305. Alternatively, you can email myadvice@havebury.com.

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Help from other organisations

We've pulled together some useful information from other organisations, to help you find the support you need. You will find all of this on our website www.havebury.com/cost-of-living-support

Help for Households

The UK government has launched the Help for Households campaign. This sets out the support available to people, in one place. You can find help with:

The logo for the 'Help for Households' campaign, featuring the text 'Help for Households' in white on a green rectangular background with a white border.

- **Financial support** - including how to check if you are getting the benefits you are entitled to.
- **Energy bills** - including more information on the Cost of Living Payment.
- **Family support** - including more information on tax-free childcare and Child Benefit.
- **Household costs** - including more information about Council Tax rebates and budgeting loans.

There is also extra guidance around transport costs, help finding work, plus discounts and offers on everyday essentials.

www.helpforhouseholds.campaign.gov.uk

On our website, you will find further information about:

- The Local Welfare Assistance Scheme (Suffolk based)
- Help with health costs
- Food support

www.havebury.com/cost-of-living-support

The types of costs included in service charges.

COSTS ELIGIBLE FOR HOUSING BENEFIT/UNIVERSAL CREDIT

These costs are related to the repairs and maintenance of communal areas. Your scheme/block may not necessarily have all of these services; each scheme will have the combination applicable to that scheme/block. These will appear on your estimate/statement with the letter description, as shown in the table below:

Building cleaning	Any cleaning incurred within the communal areas of your building.
Communal utilities (electricity, gas, oil etc)	Communal supplies, such as stairwell lighting or heating in communal areas.
Communal telephone lines	Any communal phones or phone lines in communal areas, such as lifts or alarms.
Communal internet charge	Internet that can be used within a communal area.
Door entry	The servicing and maintenance of the communal door entry system.
Electrical testing/emergency lighting	Checking any electrical equipment that is run off the communal supply. This includes equipment, lifts plus the testing and servicing of emergency lighting.
Fire safety	Maintaining any fire safety equipment within the communal areas.
Furniture/equipment	The use of furniture and equipment in the communal areas, such as communal lounges and kitchens.
Grounds maintenance	Maintaining common areas of outdoor space. This includes grass cutting, litter picking and maintaining hedges.
Legionella monitoring and testing	We are legally responsible to ensure you remain safe by regularly assessing the risk of bacteria that causes Legionnaires' disease - a potentially fatal form of pneumonia.
Lifts	The servicing and maintenance of any communal lifts.
Managing agent costs	These costs are incurred when a third party looks after some or all of your communal services.
Pest control	Internal and external communal area pest control costs.
Refuse/fly-tipping	Removal of waste and fly-tipped items from internal and external communal areas.
Repairs - type 1 (all pay)	Repairs to any communal areas that all residents pay towards. For example, door entry, lighting and lift repairs.
Repairs - type 2 (homeowners only)	Homeowners pay for repairs to their communal areas, such as roof repairs, through their service charge. Residents would pay for this through their rental charge.

Continued

COSTS ELIGIBLE FOR HOUSING BENEFIT/UNIVERSAL CREDIT These costs are related to the repairs and maintenance of communal areas.	
Scheme staff	Any scheme staff that carry out service charge activities. For example, scheme visits from our Support team.
Tree maintenance	Any tree works within the communal grounds.
TV licences	The TV licence in a communal lounge.
Window cleaning	Cleaning any communal windows.
Surplus or deficit adjustments	<p>If there was an adjustment on your 2022/23 service charge estimate for a surplus or deficit relating to 2020/21, this will appear on your statement of actual costs.</p> <p>If you are a leaseholder, the adjustment has already been applied to your account, so it won't appear on your statement.</p>
Management fees	A management fee is included to cover the administrative cost of managing your communal services. It is calculated at 15% on all costs, except for management agent costs and utilities, when our management fee is 5%.

COSTS INELIGIBLE FOR HOUSING BENEFIT/UNIVERSAL CREDIT These costs relate to the provision of personal supplies and not repairs or maintenance of communal areas.	
Insurance (Homeowners only)	Insuring your flat or shared ownership home. Please note, this is for building insurance and not home contents insurance.
Personal utilities (gas, electricity and water that is supplied to your home)	If your personal utilities are supplied through a communal heating network, the costs will be recharged through your service charge. If you have your own meter, the costs will be charged directly to you by your supplier.
Sewage plant, bio-disc and septic tanks	These are costs you would pay the water board if you were connected to the mains sewage system, including repairs.
Management fees	A management fee is included to cover the administrative cost of managing these services, except for personal utilities, which incur a management fee of 5%.

The three-year service charge cycle

Last year

Now

Next year

**April 2021
to
March 2022**

Estimate sent
March 2021

Paid April 2021 to
March 2022

Actual spend
statement

Sent
September 2022

Surplus or deficit
adjusted in your
2023/24 estimate

(Homeowners only:
your amounts are
added to your
account in
September 2022)

**April 2022
to
March 2023**

Estimate sent
March 2022

Paid April 2022 to
March 2023

Actual spend
statement

This statement
September 2023

Surplus or deficit
adjusted in your
2024/25 estimate

(Homeowners only:
your amounts are
added to your
account in
September 2023)

**April 2023
to
March 2024**

Estimate sent
March 2023

Paid April 2023 to
March 2024

Actual spend
statement

Sent
September 2024

Surplus or deficit
adjusted in your
2025/26 estimate

(Homeowners only:
your amounts are
added to your
account in
September 2024)

Summary of tenants' rights and obligations

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 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;
- 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.

continued ..

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 1 month of your request or 6 months of the end of the period to which the summary relates whichever is the later.

10. You have the right, within 6 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 it will take into account all the circumstances of the case.

How we can help you

If you are struggling with the cost of living, we have a dedicated **Income team** with specialist welfare and benefits advisors who can help you by:

- finding the most convenient method of payment
- offering advice if you are finding payment difficult
- helping you maximise your income

There is more information about what additional support may be available on pages 7-8 of this booklet.

We've added more frequently asked questions about service charges to our website. Visit <https://www.havebury.com/servicechargefaqs> or scan the QR code on the front page of this booklet.

Contact our team		
To discuss your payments, contact our Income team.	Income team 0300 3300 900 (options 3 and 2 or extension 7843) myaccount@havebury.com	
If you need advice about your benefits, contact our Welfare and Benefits team.	Welfare and Benefits team 0300 3300 900 (options 3,4 and 1 or extension 7305) myadvice@havebury.com	
To speak to someone about the quality of the services you are being charged for, please contact the relevant team.	Repairs 0300 300 900 (option 2) repairs@havebury.com	Neighbourhood & Estates 0300 300 900 (options 3 and 1) myarea@havebury.com
To speak to someone about your service charge estimate or calculation, please contact our Rent and Service Charges team.	You can request a call back from our Rent and Service Charges team by emailing servicecharges@havebury.com . Please include your full name, address, your preferred method of contact and a brief description of your query. They will get back to you within five working days. Alternatively, you can call 0300 3300 900 (options 3,2,2 or extension 7315)	

Havebury Housing Partnership

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If you need this communication in a different language or format, please contact our Communications team via communications@havebury.com

To view our frequently asked questions, scan the QR code below.



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