

# Tenant's Guide to Service Charges in Sheltered Housing

Service charges are for the cost of services provided to tenants which are over and above the services normally covered by rental charges. They are identified separately in a yearly breakdown and show an actual cost for the service provided at a particular scheme. The actual charges will be based on costs for the previous financial year and may vary from year to year depending on what services are received.

Service charges will be different depending on which sheltered housing scheme you live in. The charges will only recover the cost of the service. The Council does not make a profit.

## What is a Service Charge?

A service charge reflects the costs associated with carrying out communal repairs or work to keep your sheltered housing scheme in good condition, managing it and providing any other additional services for you. It is an amount paid by a tenant for the additional services received which are not covered by rental payments.

The amount we will charge will depend on what services are provided, for example:

- Lighting of communal areas
- Laundry facilities
- Communal CCTV
- Digital TV Aerials
- Repairs to communal areas
- Door entry systems
- Communal furniture, fixtures and fittings
- Lifts
- Servicing and maintenance

You will not be able to opt out of a service charge for a service which is available at your scheme just because you do not use it.

Sometimes larger items such as washing machines will need to be replaced which can be expensive. To ensure the high cost does not have to be met all at once, the charges are spread across a number of 'life years'.

For lifts, the charge is based on the average charge for a replacement together with associated servicing and maintenance charges.

## How much will I have to pay?

Your service charges are calculated by taking into account the actual costs for providing the service for the previous year. There is also a small charge to cover our administrative costs (10%).

The total cost of providing services at a particular sheltered housing scheme will be evenly shared between all the residents living there.

## How will we work out your service charge for the year?

Each year we will assess how much we expect to spend on providing services to your scheme. These charges will be based on actual costs of the service for the sheltered housing scheme for the previous year, divided by the number of properties in the scheme to find out the cost for each household.

Example: To calculate a service charge for a laundry service for 2017/18 we would take:

The actual costs for the laundry service for 2016/17 e.g. £500, divide this by 48 weeks (non collection rent weeks are not included) = £10.41

Then divide this figure by the number of units in scheme e.g. 49 units

= Charge per tenant – 21p per week

## Will Housing Benefit help me meet the cost of service charges?

Some service charges may be met by Housing Benefit if you qualify for assistance.

The table below gives you more details:

Service Charge raised	Eligible for Housing Benefit
Grounds maintenance	Yes
Landlord's heating & lighting costs for Communal area	Yes
Fixture and fitting improvements within communal areas	Yes
Cost of maintaining monitoring equipment (such as Careline)	Yes
Minor Repairs in Communal areas	Yes
Laundry facilities- cost of appliances and maintenance	Yes
Installation, monitoring and servicing of CCTV cameras	Yes
Monitoring and servicing door entry system	Yes
Monitoring of safety equipment within communal areas	Yes
Servicing communal facilities such as fire safety equipment	Yes
Cleaning of communal areas including the cost of materials	Yes
Decoration of communal areas	Yes
Window cleaning in Sheltered accommodation	Yes
Lift servicing	Yes

Please note this list is not exhaustive and can be subject to change.

## **What will my service charges cover and how will I know what to pay?**

You will be charged for the costs of the services you receive.

Around September every year we will send you a breakdown of your service charges and your utility costs to let you know how much you will pay for the coming year.

## **How do I pay Service Charges?**

Service charges are payable alongside your rent and water rates and follow the same payment arrangement.

We will collect rent and service charges over a 48 week period, allowing for four annual non collection weeks.

Every year, we have four non collection weeks (2 weeks in August and 2 weeks in December) when we will not collect rent or service charges from you.

If you are up to date with your rent and service charges you will not need to make any payments during the non collection weeks. However, if you are behind then you must continue with your normal payments to reduce or clear what you owe us.

You will be advised of your weekly rent, utility charges and service charge payments when you sign your tenancy and you will also receive a yearly letter with a breakdown of your service charge.

## **Consultation**

Consultation will be undertaken with tenants when necessary and required. Consultation can be undertaken with tenants for providing increased, reduced or modified services. The provision of services can be reviewed to reduce service charges to tenants where reasonable and possible.

A majority of 60% of households casting a return vote must be in favour of a new service being provided or for a service to be removed, reduced or modified. This will ensure that costs are applied in a fair and reasonable manner. Therefore, if you are consulted it is important that you reply with your view.

## **What if I am not happy with the amount of Service Charge I am asked to pay?**

Firstly you will have the opportunity to discuss your concerns with your Sheltered Housing Officer or Team Leader. However if you are not happy you can request a review by contacting the Older Persons Housing Team for further investigations to be undertaken to make sure that you have been fairly charged.

You cannot request a review against a charge that you have received because you don't want it or because you do not use a service that is available.

There are some services which we are legally required to provide for example fire detection, and we will have to charge you for these as statutory services.

For further information please contact your Sheltered Housing Officer at your scheme.

Additional advice and assistance can also be obtained from the Older Persons Housing Team:

Tel: 01443 811431 or Email: [olderpersonshousing@caerphilly.gov.uk](mailto:olderpersonshousing@caerphilly.gov.uk).