



Your rent and service charges explained

Salvation Army Housing Association

Annual rent review

Why is my rent increasing this year?

The Government controls the amount of rent housing associations can charge and sets a formula to calculate how much rents should be adjusted by each year. In 2016, the Government told all housing associations to reduce the rent they charge by 1% each year for four years.

From this year, Housing associations will be able to increase their rents again, up to a maximum set by Government.

Ahead of these changes, saha will write to every resident to inform them of their new rent and service charges from April 2020.

Our rental income is really important, because it helps us to maintain our existing homes to a good standard and to build more new affordable homes for people who need them.

Your service charges explained

1. Introduction

A service charge provides for the cost of providing and maintaining services. It is a fair share of what it costs or is likely to cost to provide services each year. Your service charge, and how we work it out, depends on how much it costs us to provide services where you live.

You pay your service charge under the terms of your occupancy agreement. The service charge you pay will be different if you live in a room, a flat or a house and will vary from scheme to scheme. Common service charge items include:

- General maintenance and upkeep of communal areas
 - Cleaning of hallways and other internal communal areas
 - Servicing of lifts
 - Lighting in communal areas
 - Grounds maintenance for external communal areas for your estate or scheme
 - Statutory servicing and testing of communal equipment (where applicable)
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The service charge you pay is detailed in your occupancy agreement. If you have any questions about your service charge, please email us at info@saha.org.uk or call the Customer Service Centre on 0800 970 6363.

2. Types of Service Charges

Service charges can be fixed or variable, depending on the conditions of the occupancy agreement. However, for simplicity, all saha services operate fixed service charges. Fixed service charges are set by the landlord according to the landlord's own estimates and costs. If these estimates are too low, the Association has to fund the loss rather than the deficit being added to the service charges for the following year. Service charges are difficult to compare and there are numerous reasons why they can differ between different locations; the size of communal areas, the types of communal facilities provided and the number of properties in a development to share the costs and benefits.

3. Service Charge Items and Descriptions

Here is a typical list of service charge items and a description of what they cover.

Administration Charge	Administering and managing the services listed in your annual service charge statement
Alarm Call System	Ongoing repair of communal emergency alarm call systems that can mainly be found at developments designed for older people
Carpets, Curtains and other soft furnishing	Repairs, depreciation and cleaning of carpets, curtains and other soft furnishing in communal areas
Cleaning	Cleaning and removing rubbish from internal communal areas
Electricity	Lighting to internal and external communal areas, fire alarm systems and lifts
Gardening	Costs such as grass cutting, pruning, sweeping and weeding. May also include litter picking, snow clearance and rubbish removal
Water	Communal water supplies
Window Cleaning	Cleaning communal windows
Door Entry System	Servicing, depreciation, repairs or rental to communal door entry system
Emergency Lighting	Providing communal emergency lighting including servicing, repairs and depreciation
Fire Servicing	Fire alarms, detection systems and communal smoke ventilation system servicing, repairs and depreciation
Furniture & Appliances	Cost of depreciation, repairs and cleaning of any items of furniture or appliances supplied by the Association, mainly for use in communal facilities
Gas	Gas for heating communal areas

Electricity	Lighting to internal and external communal areas, fire alarm systems and lifts
Lift Management	Servicing, repairs, depreciation, insurance and emergency telephone charges
Laundry Costs	Hire, servicing and repairs to washing machines and/or tumble driers in communal areas
Portable Appliance Testing	Testing of communal electrical appliances or appliances used by staff at the scheme including laundry facilities, vacuum cleaner and garden equipment
Pumping Station	Some developments require pumps to connect with mains services. Cost of servicing and repairs to the pumping station and associated costs
Refuse Container Hire (paladins)	Hire of bulk refuse containers (for blocks of flats)
Rubbish Removal (external areas)	Removal of rubbish left on estate and developments
Scheme Manager	A proportion of staff costs that may include salary, accommodation costs, absence cover, National Insurance and pension costs
Security Gates, CCTV and Other Security Installations	Cost of depreciation or rental, servicing, repairs and other costs associated with the security installation
Stair Lifts, Medicare Baths and Other Adaptations	Cost of servicing, repairs and insurance associated with the adaptation. These are normally a service charge applicable to a single property rather than across a scheme
Statutory Safety Testing	These are tests relating to safety that we must carry out for legal and best practice reasons, designed to ensure the safety of residents and staff

4. What does the term 'Depreciation' mean?

Depreciation is an accounting term for the reduction in value of an item over the passage of time. When saha provides items of equipment for communal use, for example, a lift, door entry system, emergency lighting or laundry equipment. The depreciation charge is used towards funding the original cost of the item. Depreciation is calculated over a set period of time and this period of time is based on advice and experience of how long an asset is expected to last.

5. Help with Your Service Charge Costs

To help with the cost of living in your home, depending upon your household income, you may be eligible to claim Housing Benefit (HB) or Universal Credit (UC). If you live on an estate or a shared block, then the cost of the services that are shared with other residents may be claimed through HB or UC.

Any costs for the individual services you use such heating and hot water can't be claimed through HB or UC and therefore have to be paid for directly. This is why on the statements/letters we send we are required to show which services may be eligible for HB or UC and those that are not. If you are struggling to pay your individual charge or are unsure about what benefits you can claim then please contact us straight away. We will always treat you with respect and we can assist you with seeking advice by putting you in touch with specialist organisations.

6. How to Pay Your Service Charges

You can pay your rent (including service charges):

- By debit/credit card through the Allpay website and smart phone applications
- By direct debit or standing order
- Over the phone by debit/credit card, by calling the Customer Service Centre on 0800 970 6363
- By cash or debit/credit card shops and outlets showing the Allpay logo
- By posting a cheque to the Customer Service Centre at 2nd Floor, 53-55 Victoria Square, Bolton BL1 1RZ

For further details on payment options please contact the Customer Service Centre on 0800 970 6363 or info@saha.org.uk

7. Frequently Asked Questions

Here are some answers to questions that we often get asked about service charges:

Q. What happens if I am not happy with the service?

A. We aim to deliver a high quality, value for money service. It is important that you tell us if you believe the service is not being delivered. If you tell us that you are unhappy with the service we will contact you and if relevant, arrange for the contractors to come along so that we can complete a joint inspection. This helps us identify what is going wrong and put actions in place to make sure it does not happen in future. If you remain dissatisfied, you can use our customer feedback and complaints procedure to make a complaint.

Q. How do I know if I pay a service charge and how much I am charged?

A. When your occupancy starts, we will tell you if you have to pay a service charge and how much it is. You will also receive a schedule with your occupancy agreement which tells you what the charge is for. You will receive a rent and service charge statement every three months, which tells you how much rent and service charge you pay and what your current balance is.

Q. Do I have to pay the charge?

A. Your occupancy agreement will tell you if you have to pay a service charge. If you are charged a service charge, it is a condition of your occupancy agreement and you will have to make sure that you pay it.

Q. What if I am not happy with the way the service charge has been calculated?

A. If you are not happy you should speak to us first and we will work with you to try and resolve the issue. Alternatively you can contact the First Tier Tribunal Property Chamber (FTTPC), the public body who resolves all Rent and Service Charge disputes. You should contact them within four weeks of receiving the notice of review letter that you receive from us. First Tier Tribunal Property Chamber <https://www.gov.uk/courts-tribunals/first-tier-tribunal-property-chamber>

We value your views and would like to hear what you think about the service you receive from us. If you wish to feedback, make a complaint, compliment us or give us a suggestion about our Service Charge service you can do so by contacting the Customer Service Centre. These notes are a guide and are not to be relied upon in the event of difficulties or disputes with your occupancy agreement. In such cases you should take independent legal advice.

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