



Saha 2024

**YOUR RENT AND
SERVICE CHARGES
EXPLAINED**



ANNUAL RENT REVIEW

Why is my rent increasing this year?

Saha does all it can to keep rents at an affordable level. The Government controls the amount of rent housing associations can charge and sets a formula for the setting of rents. We operate within the boundaries of that guidance. For 2024/25 the maximum rent increase that can be applied is the rate of inflation (CPI) in September 2023 plus an additional 1%. For 2024/25 this means the maximum is 7.7%.

Ahead of these changes, Saha will write to every resident to inform them of their new rent and service charges applicable from April 2024. Notification letters will be sent out to residents before the rent and service charge changes start.

Our rental income is important. It helps us to maintain our existing homes to a good standard and to build more new affordable homes for people who need them. We know that there is a balancing act between what people can afford and what we need to collect in order to pay for all the services you receive. We try to spend the income wisely and our Annual Report https://saha.org.uk/wp-content/uploads/2023/03/Annual-Report_2023.pdf provides information on how much we spent in a year and on what.

Your service charges explained

1.Introduction

A service charge covers the cost of providing and maintaining certain services each year. The calculation of your service charge will reflect the cost of the services, the frequency of that service and the quality of the service provided.

You pay your service charge under the terms of your occupancy agreement (tenancy agreement or licence agreement). The service charge you pay is based upon the type of property you live in and will vary from scheme to scheme. Common service charge items include:

- General maintenance and upkeep of external 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)

2. Managing your money and financial support offered by Saha

Saha's Income Management team is here to help you. If you have any questions about your service charge, please email us at rent@saha.org.uk or call the Customer Service Centre on 0800 970 6363 or post a message on our website at: www.saha.org.uk/residents/online-resident-services/have-your-say/

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 as 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 that 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 are eligible for, then please contact us straight away on 0800 970 6363 and ask to speak to the Rents team or email them direct on rent@saha.org.uk.

You can also seek help by getting in touch with **Universal Credit** on www.gov.uk/universal-credit for further details.

Universal Credit helpline Telephone: 0800 328 5644 **Textphone:** 0800 328 1344

If you need more detailed professional advice and assistance with debts, please contact **National Debtline** which is an agency that can offer support and advice regarding debt: **Telephone** 0808 808 4000 **Website** www.nationaldebtline.org

3. 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.

4. 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. Saha currently levies a charge of 15% for administration costs.
Alarm Call System	Ongoing rental and repair of emergency alarm call systems that are typically 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, for instance, a sheltered housing scheme lounge area.
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. The cost will reflect our service contract with a specific contractor.
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 estates and developments.
Scheme Manager/ Assistant Neighbourhood Manager	A proportion of staff costs for colleagues employed directly to work on your scheme. Costs 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.
Repairs	Repairs to internal communal areas.

5. 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.

6. How to Pay Your Service Charges

You can pay your rent (including service charges):

- By direct debit or standing order
- Over the phone by debit card, or by calling the Customer Service Centre on 0800 970 6363
- Via the internet

Allpay App

Saha residents can use the payment app for mobile phone. To access and download please visit the App Store or Google Play.

Allpay

A swipe card enables you to pay by cash at any Post Office. Or you can pay by cash or debit card at any local store displaying the PayPoint logo. You can also pay over the phone with your debit card by calling 0330 135 9515 and quoting your Allpay payment card reference number. If you have misplaced your Allpay card, please contact the Income Management Team on 0800 970 6363 or rent@saha.org.uk

For further details on payment options please contact the Income Management Team on 0800 970 6363 or rent@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.

Q How do you calculate the charge?

A. Each year, we will look at the current year's spending on services and estimate the cost for the following year. We consider such factors as the number of people receiving the service, the frequency of the service provision and the quality of the service to be provided.

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.

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. Should that not provide you with an adequate answer then you can raise a formal complaint for us to investigate and respond.

You can also 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 www.gov.uk/courts-tribunals/first-tier-tribunal-property-chamber

These notes explained

These notes are a guide and attempt to provide you with general advice that we hope will answer most straight forward questions. They 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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