

Service charges



Together we are **Metropolitan Housing Partnership**



Improving **life** together

This leaflet explains what your service charge pays for, and how it is calculated.

As a leaseholder you are required to pay service charges. These charges are your share of the costs of managing and maintaining your building (excluding costs which are your responsibility) and its common parts. If you live on an estate, you also contribute towards the management and maintenance of external communal areas.

Your service charges (depending on your property and your lease) may include:

Keeping things clean and tidy

Internal cleaning

The cost of cleaning the communal areas in your block. For example stairs, handrails, floor coverings, windows.

External cleaning

For example, litter picking and the sweeping of grounds, forecourts and estate roads that are not the responsibility of the local authority.

Refuse removal

Removing big household objects like beds and fridges, plus bin hire costs.

Caretaker and equipment

Cost of caretaker's salary, accommodation and equipment.

Grounds maintenance

Maintaining communal green space and trees on your estate. This might involve cutting grass, trimming hedges, pruning bushes and shrubs or planting flowers.

Vehicle management

Clamping, removing dumped cars and other vehicle management measures.

Maintenance and repairs

Day-to-day repairs

The day-to-day repairs to the common parts of the block or estate or to the structure of the building. This doesn't include major works or planned maintenance.

Specialist contracts

These may include maintenance and repair of door entry systems, TV aerials, fire prevention, lifts, play areas, pumps, electric gates and other specialist services.

Utilities

Landlord's services and utilities

The charge for the energy - electricity, water, gas - used in the common parts of the building or estate for lighting, water pumps, lifts and door entry systems.

Management costs

Management fees

The charge for managing estate services to the block and the estate and other costs associated with the management of the building.

Auditors' certifications

Also known as the audit fee or accountancy charge. This is the fee for auditing the block/estate service charge accounts.

Please see your itemised service charge summary for a detailed list of the services your building receives.

Other charges

Planned maintenance and major repairs: sinking (or reserve) funds

Some leaseholders are asked to pay into a 'sinking fund' to pay for planned (or cyclical) maintenance (e.g. internal/external decorations to the block and large items of expenditure e.g. roof replacement). An amount (based on anticipated cost) is collected each month through the service charge and held in an account. When work is needed, funds should be available to cover most, if not all, the cost.

The benefits of maintaining such a fund are:

1. The cost is spread out over time, to avoid large one-off bills.
2. Everyone who lives in your block/estate during the year will contribute to works, not just those who are in occupation at the time they are carried out.

Major repairs and works

Major works are larger 'one off' projects carried out to your building or estate, or works based on a cyclical programme determined by the lease agreement.

We consult residents if works costs are above a specific figure (£250 as at March 2010) following processes set by regulations.

Utilities (where these are not billed separately)

Gas, electricity or water charges to your premises, or heating which may be provided as part of a communal system, will usually be referred to under the lease.

Ground rent

The payment made by the leaseholder to the landlord as a condition of the lease.

Building insurance

Building insurance covers the repair or rebuild costs in the event of damage to the structure of the building by storm, lightning, fire, escape of water, and subsidence.

NB.

Building insurance does not cover the contents of your home. You are strongly advised to arrange your own contents insurance to cover your belongings and the internal parts of the flat you are responsible for. MHP may be able to quote for this, please ask for details.

Rent (if you are a shared ownership leaseholder)

The rent payable to us for the portion of your property you have not purchased.

Each year in advance we estimate the costs for the next accounting year. We then send you a summary of the estimated costs, telling you how and when you will be expected to pay.

Then as soon as possible after the end of the financial year we calculate how the actual costs compare with the estimate we made. If the actual costs were less than the estimated costs the surplus will either be carried forward or credited to your account (this will be outlined in your lease). If the actual costs were more than the estimated cost we will send you an invoice for the difference.

Your lease provides more detail of how costs are divided up between all the residents in the block

or estate, what is included in the service charge and when you need to pay.

Service charges vary from year to year depending on:

- what services are included
- what work is planned
- the costs of doing that work
- how much is in the sinking fund (if one exists).

Costs are based on contract costs agreed with providers usually with variation based price reviews as set out in our contracts. Similarly other costs for example fuel costs are subject to cost inflation and are therefore factors we need to take into account when setting your estimate.

Are charges reasonable?

It's our aim to make sure that service charges are reasonable and you get value for money. If you feel they're not you should contact us. You have the right to complain to us and if we can't answer your points you can also challenge charges at the Leasehold Valuation Tribunal. For contact details see page 11 of this leaflet.

New developments

If you are living in a new development, your costs may be lower in the first year because of the builder's defects period. And in some new developments, leaseholders don't have to contribute to the sinking fund (where these are in place) until year two.

**How you
can help
make service
charges lower**

We use your service charge payments to:

- keep things clean and tidy
- do repairs and maintenance
- maintain safety and security.

If we have to do extra work, you end up having to pay for it. We want our service charges to be reasonable, so we want you to help us cut down on unnecessary work and inefficiency.

Report vandalism / criminal damage

It costs a lot to fix vandalism – and you're footing the bill. If you see anyone damaging your block or vandalising your estate, report them to your neighbourhood officer and/or the police as soon as possible.

Use bins. Don't dump rubbish

Please use the right bins and bin stores for your household rubbish. If residents don't dispose of rubbish properly, the council may refuse to collect it. This forces us to use contractors, which you will have to pay for.

Many councils dispose of big items (e.g. old furniture, fridges) for free. But if you dump it, we'll have to remove it. And the cost will be added to your (and your neighbours') service charges.



Tell us if our contractors are not doing their jobs

We employ contractors to do lots of our estate work (e.g. cleaning or grounds maintenance). Most of the time we're happy with the work they do. But if you think that they're not doing the work they should be doing, please tell your neighbourhood officer.

Tell your neighbourhood officer about broken lighting

If you spot a broken light in your block/estate, talk to your neighbourhood officer first – they may be able to arrange for our cleaning contractors to do it (it may be in their contract to fix certain lights). This helps to minimise expenditure on repairs.

Give us all the right information

If you're reporting a repair, please be as precise as possible when you're describing the problem. If we don't fully understand the problem, we may waste money and time with the wrong response. For example, a non-urgent problem may be wrongly reported and progressed as an emergency repair (the most expensive response).

Our Repairs - information for leaseholders leaflet gives more information about repairs. It should be in your Welcome Pack – or you can request one from your neighbourhood officer.

Consultation about services

You have the right to make decisions about how we manage your property and your area. You can do this in several ways. For example:

- Attend your local residents' association meetings.
- Attend leaseholder forums.
- If we consult you about works and contracts, write back to us with comments and suggestions.
- Respond to surveys – we take your views seriously and use them to improve our services.

Further information and support

Leasehold Advisory Service

31 Worship Street
London EC2A 2DX
Tel: 020 7383 9800
Fax: 020 7383 9849
Email: info@lease-advice.org
www.lease-advice.org.uk

Royal Institution of Chartered Surveyors

12 Great George Street
London
SW1P 3AD
Tel: 0870 333 1600
Fax: 0207 334 3811
www.rics.org

Chartered Institute of Housing

Octavia House
Westwood Way
Coventry CV4 8JP
Tel: 024 7685 1700
Fax: 024 7669 5110
www.cih.org

Tenant Services Authority

Tel: 0845 230 7000
www.tenantservicesauthority.org

Leasehold Valuation Tribunal

Tel: 0845 600 3178
www.rpts.gov.uk

Contact us

For more information about service charges, contact your local office.

MHT London

Tel: 0800 783 2399

Email: mhtlondon@mht.co.uk

www.mht.co.uk

Spirita

Tel: 0845 601 5042 / 0115 988 7100

Email: customer_services@spirita.org.uk

www.spirita.org.uk

Granta Housing Society

Tel: 01223 576 756

Email: info@grantahousing.org.uk

www.grantahousing.org.uk

Clapham Park Homes

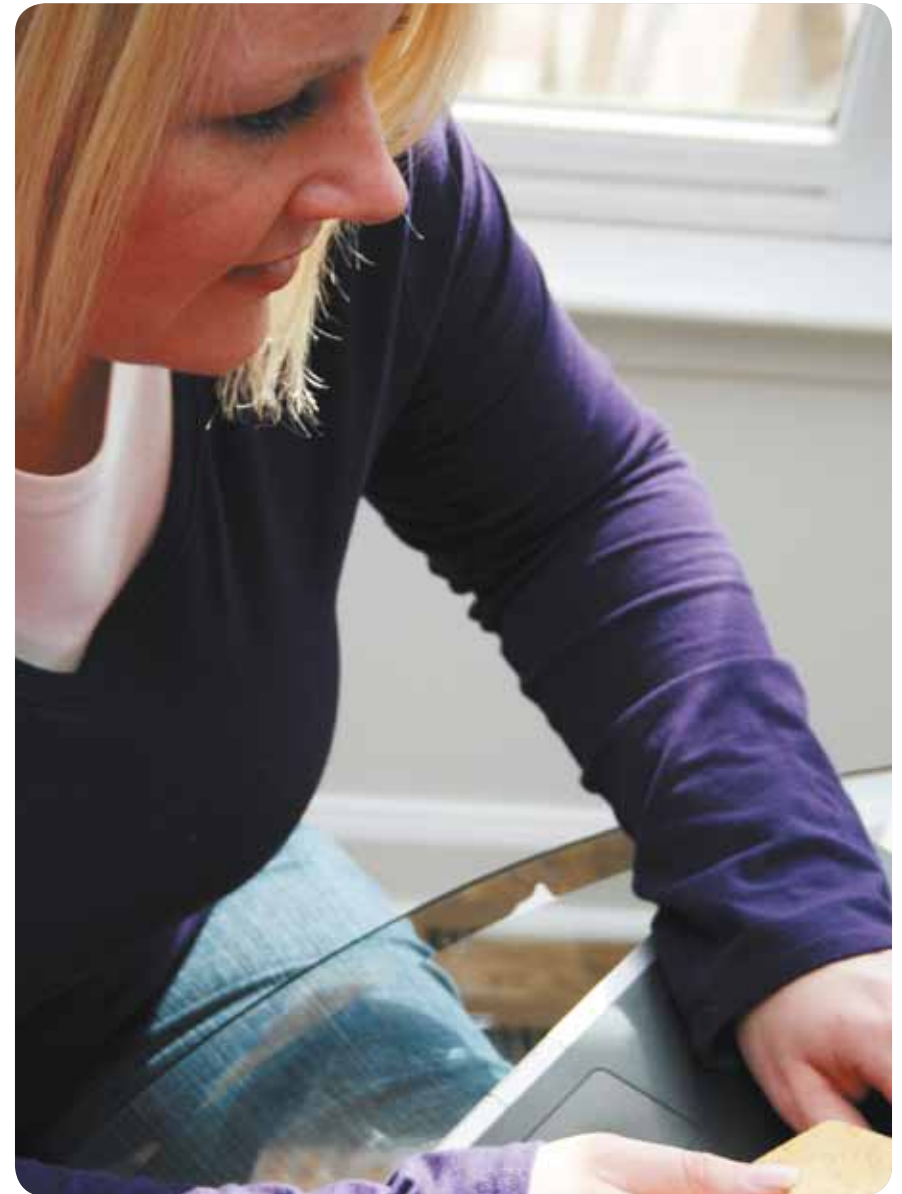
Tel: 0800 783 1118

Email: cphenquiries@cph-online.co.uk

www.cph-online.co.uk

Disclaimer:

This leaflet gives some guidance on service charges. It is not meant to replace your rights and responsibilities as outlined in your lease. While we as a landlord are happy to try and help, you should always seek professional independent advice if you are in any doubt.



This leaflet explains what your service charge pays for, and how it is calculated. If you need this information in your own language, or in an alternative format (e.g. large print, Braille, audio disc), please contact your local office reception and we will take reasonable steps to arrange this for you.

Chinese simplified

这份传单解释你交的服务费用来做什么以及这是怎样算出来的。这是一份有关我们服务标准的传单。如果你需要这份传单的中文版，或其他版式（比如大号字体印刷，盲文版，录音带），请你与当地办公室的接待前台联系。我们会想办法替你解决。

Polish

Niniejsza ulotka objaśnia, za co pobierana jest opłata z tytułu utrzymania nieruchomości (service charge) i w jaki sposób jest ona obliczana. Niniejsza ulotka dotyczy standardów naszych usług. Jeśli chciałby Państwo uzyskać niniejsze informacje w swoim języku lub w innym formacie (np. w wersji dużym drukiem, pismem Braille'a, w wersji audio), prosimy o kontakt z recepcją lokalnego biura, a my dokonamy odpowiednich ustaleń.

Portuguese

Este panfleto explica para que são utilizadas e como são calculadas as suas taxas de serviço. Este panfleto refere-se aos padrões dos nossos serviços. Se necessitar desta informação no seu próprio idioma ou num formato alternativo (por exemplo, caracteres grandes, braille ou disco áudio), por favor contacte a recepção do seu serviço local e faremos o possível para ajudar.

Punjabi

ਇੱਹ ਪਤ੍ਰਿਕਾ ਆਪ ਨੂੰ ਕਿਹੜੀ ਸੇਵਾਵਾਂ ਦਾ ਖਰਚਾ ਦੇਣਾ ਪੈਂਦਾ ਹੈ ਇੱਸ ਦਾ ਅੰਦਾਜ਼ਾ ਜਾਂ ਗਿਣਤੀ ਕਿੱਸ ਤਰਾਂ ਕੀਤੀ ਜਾਂਦੀ ਹੈ। ਇੱਹ ਪਤ੍ਰਿਕਾ ਸਾਡੀਆਂ ਸੇਵਾਵਾਂ ਦੇ ਖੱਧਰ ਬਾਰੇ ਹੈ। ਜੇ ਆਪ ਨੂੰ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿੱਚ ਜਾਨਕਾਰੀ ਚਾਹੀਦੀ ਹੈ ਜਾਂ ਕਿੱਸੇ ਹੋਰ ਰੂਪ ਵਿੱਚ (ਜਿੱਸ ਤਰਾਂ ਵੱਡਾ ਫ਼ਾਪਾ, ਬਰੇਲ, ਸੁੰਨਨ ਨੂੰ ਡਿੱਸਕ), ਕਿਰਪਾ ਕਰਕੇ ਆਪਣੇ ਨੇੜੇ ਦੇ ਦੱਫਤਰ ਦੀ ਰਿਸੈਪਸ਼ਨ ਨਾਲ ਸੰਪਰਕ ਕਰੋ ਅਤੇ ਅਸੀਂ ਆਪ ਲਈ ਇੱਸ ਦਾ ਪ੍ਰਬੰਧ ਕਰਨ ਦਾ ਯਤਨ ਕਰਾਂਗੇ।

Somali

Waxa uu buugyarahani kuu sharxayaa waxa lagu bixiyo lacagta adeegga (service charge) ee lagaa qaado, iyo sida iyada loo xisaabiyo. Waxa uu buugyarahani ku saabsan yahay xeerasha u yaalla adeeggayaga. Haddii aad u baahan tahay in aad warbixintan ku hesho luqadda gaar kuu ah, ama nuskhad kale (tusaale ahaan far waaweyn, farta Braille ee dadka indhaha la', cajal dhegeysi ah), fadlan qaybta soo-dhawaynta ee xafiiska xaafaddaada la xiriir waxa aanan qaadi doonnaa tallaabooyinka macquul ah ee taas laguugu habayn karo.

Spanish

Este folleto explica a qué se destinan los gastos de comunidad y cómo se calculan. Este folleto trata sobre nuestros estándares de servicio. Si necesita esta información en su idioma nativo o en un formato alternativo (p. ej. letra grande, braille, disco de audio), póngase en contacto con la recepción de su oficina local y haremos todo lo posible para facilitársela.

Turkish

Bu broşür aidatlarınızın neleri kapsadığını ve nasıl hesaplandığını açıklar. Bu broşür, hizmet standartlarımız hakkındadır. Eğer bu bilgiye kendi dilinizde ya da alternatif bir formatta ihtiyacınız varsa (örneğin, büyük punto, Braille, sesli disk) lütfen yerel ofis resepsiyonunuzla irtibata geçin, istediğinizi yerine getirmek için makul girişimlerde bulunacağız.

Urdu

یہ اشتہار وضاحت کرتا ہے کہ آپ کے سروس چارجز کس لئے ہیں اور ان کا حساب و کتاب کس طرح سے کیا گیا ہے۔ یہ اشتہار ہماری سروس کے معیار کا احاطہ کرتا ہے۔ اگر آپ کو یہ معلومات آپ کی اپنی ہی زبان یا کسی متبادل صورت (مثلاً بڑے حروف، نابیناؤں کی تحریر و طباعت، آڈیو ڈسک) میں مطلوب ہوں تو براہ کرم آپ اپنے مقامی آفس کے رسپشن سے رابطہ کریں اور ہم آپ کے لئے اس کا بندوبست کرنے کی خاطر مناسب اقدامات لیں گے۔

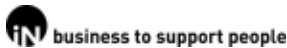
Metropolitan Housing Partnership is a unique network of locally focused member organisations working together to provide housing, community, regeneration, care and support services.

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