

SERVICE CHARGES

FOR TENANTS



Information about your Service Charge

We aim to:

- Consult you about any significant changes to your services
- Give you clear information about how your services are managed
- Provide better value for money on your services

Each year Swan looks at all its services to ensure they are providing good value for money. This includes the level of service we receive as well as the cost of the service. Any money saved using these methods is reinvested in services to residents.

Please find below information about your service charges.

How do I pay my rent and service charge?

The payment options available are:

- You can pay over the telephone with a debit/credit card by calling the Income Team on **0300 303 2500**.
- You can pay through Swan's website – **www.swan.org.uk**
- You can contact us and arrange to set up a Direct Debit. **Please note that if you already have a Direct Debit**

set up for your rent and service charge, we will amend this for you and you will receive notification of the changes from Allpay.

- Pay with an Allpay swipe card using cash, cheque or debit/credit card at your local Post Office or any other outlet that accepts Allpay cards. If you do not have an Allpay card and would like one please contact us. If you have an Allpay swipe card you can pay over the telephone with a debit/credit card by calling **0844 557 8321**, or on the internet by going to **www.allpayments.net**
- Pay by text message, after registering with Allpay on the above details.
- Send a cheque made payable to Swan Housing Association to:

**Swan Housing Association
Pilgrim House
High Street
Billericay
Essex CM12 9XY**

You should write your account reference, name and property address on the back of the cheque.

Please note that we do not accept cash at any of our offices.

When should I pay?

Your service charge is due at the same time as your rent. The amount you need to pay is shown on your Rent Review letter.

If you have a monthly tenancy, you should pay your rent and service charge each month, on or before the first day of the month. If you have a weekly tenancy, you should pay your rent and service charge each week on a Monday. If you wish to pay monthly, you must pay the following month's rent and service charge in full before they are due. This will help to ensure your rent and service charges do not become overdue.

What is the service charge for?

The service charge is the amount Swan charge for the provision of services to your estate, street or block of flats. For example, we might clean the communal areas, provide gardening services for communal gardens or perform repairs and maintenance to communal parts of your building.

Administration Charge

Where a block and estate is managed by a third party Managing Agent, they can charge for the administration work they may encounter. Swan may also charge an administration fee

toward the costs of managing our relationship with the Managing Agent and also ensuring that they are providing the services which they should be.

Car Park Maintenance

This covers the cost of repairs that are carried out to communal car parking areas.

Careline Monitor and Maintenance

This charge only applies to our sheltered accommodation where call alarms are fitted in case of an emergency within the individual flat.

Caretaking and Cleaning

This charge covers both the caretaking service and the cleaning to your block and the surrounding area.

CCTV

Where CCTV has been installed the charge covers the maintenance and monitoring of the cameras.

Cleaning

This charge covers the cleaning to both your block and the surrounding area.

Communal Door Entry Maintenance

This charge covers the cost of maintaining the door entry system.

Communal Equipment/ Furnishing

Where there are communal lounges and/or kitchens, normally in our Sheltered Accommodation, the furnishings for these areas are replaced when necessary and are charged through the service charges. Communal equipment will also cover items such as notice boards in communal areas.

Communal Equipment Maintenance

This covers the cost of repairs carried out to communal equipment which is not listed as a separate head of charge.

Communal Grounds Maintenance

This charge is to cover the cost of the cutting of grass, trimming of shrubs and tree maintenance work.

Communal Laundry

Some of our Sheltered Accommodation has a laundry room and this cost covers the replacement and servicing of the washing machines and tumble dryers or the cost of hiring them.

Communal Lighting Maintenance

Any works carried out to the communal lighting including the replacement of light bulbs is covered by this charge.

Communal Water Charges

This charge covers the cost of the water invoices Swan receives for communal water. The water is used for cleaning and sometimes grounds maintenance.

Communal Window Cleaning

This covers the cost of cleaning the windows to the communal areas of your block.

Community Warden

This charge is used when a block and estate is managed by an external Managing Agent and there is a Warden who works with the community.

Concierge

In some of the larger blocks there is a concierge service. They are responsible for monitoring the building.

Electrical and Plant Maintenance

In some blocks we need to charge for the maintenance of the electrical mechanical plants.

Electricity

This charge covers communal energy to your block and estate. Depending on which block you live in, this may include lighting, the power source for lifts, door entry systems, etc.

Estate Road Maintenance

Where the Local Authority has not adopted the roads on the estate, repairs to the road is recovered through service charges.

Fire Equipment Provision and Maintenance

Swan is required to periodically test all fire safety equipment that you have in your block as per the Regulatory Reform Fire Safety Order 2005. The equipment is inspected on a regular basis checking the condition of any fire equipment present.

Health and Safety Risk Assessment

The charge covers periodic risk assessments that are carried out to the buildings. The charge is normally passed on by an external Managing Agent and covers fire risk assessments and Legionella testing. Where Swan carries out these assessments, they are shown as separate heads of charge.

Lift/Hoist Maintenance

This charge covers the cost of maintaining the lift in your block, if there is one installed. It also includes the emergency telephone link to the lift. Please be aware that you will be charged for the lift if there is one in your block, regardless of whether you use it. This is in accordance with the

terms of your tenancy. For some Supported Housing properties, this will also include maintenance and repair of stair lifts, bath lifts, shower benches and hoists.

Lightning Protection

On some blocks lightning protection rods have been installed. The cost covers the installation and/or the maintenance of the rods.

Management Fee

Swan levies a management fee which goes towards the cost of running our services which includes staffing cost and office overheads etc. We only aim to cover our cost and do not make a surplus. **If you have two Management fees, this is likely to be because, where applicable, these fees are charged by both Swan and your Managing Agent.**

If some or all of the services you receive are provided by a Managing Agent, Swan's Management Fee will be lower than if we provide some or all of your services ourselves. See also: **Administration Charge**

Pest control

In some areas it is necessary to provide pest control and when the service is provided, the cost is passed on through the service charge. We do not cover

pest control within individual properties, only communal areas and any works required to prevent individual properties being affected.

Refuse Disposal

This covers the cost of providing/hiring paladin bins for refuse. It also covers the removal of bulk items which occasionally have been dumped.

Salt Bins

During the winter when the areas surrounding the blocks is very icy, it is necessary to provide salt to ensure the areas are safe.

Maintenance of External Cradle System

On some blocks there is an external cradle system fitted and every year this needs to be tested to ensure its safety.

TV Aerial/licence

The cost covers maintaining the communal TV aerial.

Water Tank Servicing

Under Health and Safety Executive (HSE) Approved Code of Practice (ACoP) L8, it is a requirement to periodically inspect and test all communal water tanks for legionella bacteria. Water tanks are inspected and maintained on a regular basis.

Personal Utility Charges

Heating

Where a communal heating boiler is supplied this charge is your personal charge for heating your home. If you were not paying a charge to Swan for your heating, you would need to pay an energy supplier (such as British Gas or E-On) separately. The cost of gas has increased over recent years and this has meant your personal heating charges may have also increased.

Water/Sewerage

In some areas, Swan pays the water bills to the local water company. These are the costs of your personal water consumption. If you were not paying a charge to Swan for your personal water usage you would need to pay a supplier (such as Anglian Water or Essex & Suffolk Water) separately.

How is the amount calculated?

The service charge is based on the actual cost for the services provided in the previous financial year.

Why have my Service Charge amounts changed?

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)
- New developments – if you are living in a new development, your costs may be lower in the first year because of the Builders Defect Period.

The services you are charging me for are not being done or are not of a satisfactory standard, what can I do?

If you feel that the services you receive are not of a satisfactory standard or you do not receive the services for which you are being charged, please contact the Income Team on **0300 303 2500**.

Please note that you should not withhold payment as this is a breach of your tenancy. You should contact us so that we are

able to investigate and resolve the issue.

When your property is managed by a third party (Landlord or Managing Agent)

We have to pass on costs from Managing Agents or Landlords when they are working on your estate. This is usually when our properties are part of a larger private development and we do not own the Freehold.

Some issues for tenants with Managing Agents:

- Our service charge year runs from 1st April – 31st March. The Managing Agent may have a different service charge year, e.g. 1st January – 31st December. This can result in our actual accounts including charges from the Managing Agents that cover periods outside of 1st April – 31st March.
- Some Managing Agents provide a high quality service, which is likely to cost more.
- The Managing Agent may choose not to speak to you directly because their contract is with Swan.

Swan can look into issues you have regarding quality or value for money of services you receive from Managing Agents.

How to tell if a Managing Agent is responsible for providing a service:

You can tell if a service is provided by Swan or your Managing Agent by looking at the list of services within your statement. Services which are provided by an external Managing Agent have a prefix of 'Ma:' before the heading. Services which Swan provide have a prefix of 'Swa:'.

Repairs costs

Any Swan repair charges detailed on your statement include a 24.5% on-cost charged by Axis Europe PLC under its long term repair contract with Swan Housing Association.

The percentage charged is commonly referred to as the Axis "overheads" or "preliminary fees". This on-cost covers Axis's staffing, site management and supervision costs, site offices expenses and other operating costs such as transport, telephones, communications, as well as their profit.

In order to ensure transparency Axis invoice this on-cost separately to their schedule of rates works costs. Both the costs of works and this on-cost are subject to VAT.

How can I help to 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 pay for this in your service charges. 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. If you see anyone damaging your block or vandalising your estate, report them to us and/or the Police as soon as possible.

Don't allow unwanted visitors into communal areas. Any damage they cause will be paid for through your service charges.

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 will

have to remove it. The cost of this will be added to your (and your neighbours') service charges.

Tell your Neighbourhood Officer about broken lighting. They may be able to arrange for our Estate Services to fix it, helping to minimise expenditure on repairs.

When reporting a repair, be as precise as possible when describing the problem and the location of the problem. If we don't fully understand, we may waste money and time with the wrong response.

What about Buildings and Contents Insurance?

The cost of your Buildings Insurance is covered within your

rent. Buildings Insurance does not cover the contents of your home.

You are strongly advised to arrange your own contents insurance to cover your belongings.

You can arrange National Housing Federation My Home Contents Insurance by calling them directly on **0345 450 7288** or visit www.thistlemyhome.co.uk

How rent is calculated

Our regulator sets out how much we increase or decrease rents for tenants.

Commonhold & Leasehold Reform Act 2002 – Section 153

Service Charges (Summary of Rights and Obligations, and Transitional Provision) (England) Regulations 2007

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; and
 - 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.

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.

Contact details for the Area Housing Offices

You should contact the Area Office if you have a question regarding the services provided for you. To contact any of the offices below, call **0300 303 2500**:

If you live in **Essex** (not including the London Boroughs of Havering and Redbridge), please contact the Essex Neighbourhood Team:

Address: **Pilgrim House, High Street, Billericay, Essex CM12 9XY**
Email: **essexneighbourhood@swan.org.uk**

If you live in the **London Boroughs of Tower Hamlets** (except the Bow Cross Estate) **Havering** and **Redbridge**, please contact the London Neighbourhood Team:

Address: **Blackwall Reach Office, 9 Webber Path, London, E14 0FZ**
Email: **londonneighbourhoodteam@swan.org.uk**

If you live on the **Bow Cross Estate** please contact the Bow Cross Office:

Address: **Bow Cross Office, Priestman Point, 2A Rainhill Way, London, E3 3EY**
Email: **londonneighbourhoodteam@swan.org.uk**

Contact Details for the Income Officers

You should contact the Income Officers if you would like to pay over the telephone with a debit/credit card, set up a Direct Debit or apply for an Allpay swipe card. You can email your income team at **essexincome@swan.org.uk** or **londonincome@swan.org.uk**

SPEAKING YOUR LANGUAGE

Please call us on **0300 303 2500** if you would like someone to explain this leaflet to you

Polish

W razie potrzeby wyja nienia któregokolwiek z artykułów, prosimy do nas zadzwoni pod numer 0300 303 2500.

Somali

Fadlan naga soo wac
0300 303 2500 haddaad
jeclaan lahayd in qof uu kuu
sharaxo mid kasta oo kamida
qodobadan.

Punjabi

ਜੇਕਰ ਤੁਸੀਂ ਚਾਹੁੰਦੇ ਹੋ ਕਿ ਇਨ੍ਹਾਂ ਲੇਖਾਂ
ਵਿੱਚੋਂ ਕਿਸੇ ਵੀ ਬਾਰੇ ਤੁਹਾਨੂੰ ਕੋਈ
ਵਿਸਤਾਰ ਨਾਲ ਦੱਸੇ ਤਾਂ ਵਿਰਧਾ ਕਰਕੇ
ਸਾਨੂੰ 0300 303 2500 'ਤੇ ਫੋਨ ਕਰੋ।

Bengali

যদি চান অন্য কেউ আপনাকে এই
আটিকেলগুলি বুঝিয়ে দিক তাহলে দয়া
করে আমাদেরকে 0300 303 2500
নাম্বারে ফোন করুন।

Arabic

إذا كنت ترغب بأن يقوم شخص ما
هذه المواد لك، فيرجى الاتصال
بتفسير بـ 0300 303 2500

Urdu

اگر آپ چاہتے ہیں کہ ان میں سے کسی مضمون کی وضاحت
کی جائے تو براہ مہربانی ہم سے فون نمبر
0300 303 2500 پر رابطہ کریں۔



WWW.SWAN.ORG.UK