



Bridgewater Housing Association Policy	
Policy name	Service Charge Policy
Policy category	Housing Services (HS)
Policy number	HS13
Date adopted	December 2017
Last review	December 2017
This review	January 2025
Next review	January 2028
Equalities impact assessment required	No
Links to other documents	HS11 Rent Setting Policy HS16 Customer Engagement Strategy
Consultation	Internal & External (Tenants/Website) as part of annual rent and service charge increase consultation

This policy is available to the public on the Association’s website. Copies are also available on request and free of charge from the Association. This policy can also be provided in large print, braille, audio, or other non-written format and in a variety of languages, on request.

1. Introduction & Aims

1.1 Bridgewater Housing Association (BHA) may provide services beyond standard housing management and maintenance. These additional services require separate service charges. This document outlines BHA's policy for charging for services not covered by tenants' rent payments.

1.2 BHA aims to:

- provide effective, value for money services to our tenants which are priced to recover costs in a fair and accountable way;
- involve customers in setting and reviewing service charges;
- tender services where appropriate to ensure value for money;
- ensure that service charges are affordable.

1.3 We aim to recover the costs of providing identified services to tenants or owners in full. Costs currently incurred include: -

- Common close cleaning;
- Services Associated with the provision of Supported Housing;
- Community Alarm servicing, monitoring, and maintenance;
- Lift servicing & maintenance contracts;
- Provision of furniture in general needs and supported tenancies;
- Fire system, extinguisher servicing and maintenance contracts;
- Stair lifts in wheelchair adapted properties, servicing, and maintenance contracts.

2. Responsibility

2.1 Key responsibilities for implementing the Association's Service Charge:

- **The Board:** Ensures the policy complies with all relevant regulations and legislation and aligns with the Association's Business Plan and budget targets.
- **Chief Executive Officer (CEO):** Oversees the policy's implementation to ensure compliance and alignment with the Association's strategic goals.
- **Head of Finance:** Provides essential financial guidance and support to the Board, Leadership Team, and other relevant staff.
- **Head of Housing Services:** has responsibility for ensuring that appropriate housing services related support, and timely advice is provided to the Board, Leadership Team and other relevant members of staff on rent and service charge setting and review issues, including responsibility for the tenant consultation processes.

3. Setting Charges

- 3.1 Service charges are determined based on the actual or projected costs of providing services at each specific development or property. Consequently, service charge levels can differ between properties.
- 3.2 Service charges are set each year by identifying what the actual costs for the coming year will be, considering any surplus/deficit carried forward from the previous year. Where we cannot yet determine the actual costs, service charge costs will be based on historical costs, then adding to this inflation and any changes in costs or services. We also add an administration fee of 5% to the cost.
- 3.3 Costs will be calculated by totalling the estimated costs of the service attributable to tenanted, or owner-occupied property including the administration fee and divided by the number of occupants in receipt of that service, by development/property. Where individuals do not receive a service, they will not incur any service charge.
- 3.4 As service charges are based on actual costs, charges can go down as well as up, for example where we have been able to make savings.
- 3.5 Service charges will be set in January of each year for the next financial year based on estimated future costs. The new charges will be implemented from the start of the financial year at the time of the annual rent increase.
- 3.6 Any changes to the cost, type or nature of services provided will be the subject of consultation with affected tenants.

4. Service Charges

- 4.1 The following is a list of chargeable services provided by the association. The list is not exhaustive, and services can be added or removed from the list:
 - Heating Charge (Extra Care Developments);
 - Common Electricity Charges (Extra Care Developments);
 - Furniture/Kitchen/Laundry Provision & Replacement in Supported Housing Projects;
 - Extra Care Common Room Furniture Provision;
 - Community Alarm Systems (BR24);
 - Lift Maintenance;
 - Fire Safety in Supported Housing;
 - Administration/Licensing Costs – Supported Housing;
 - Common Cleaning;
 - Bin Porting/Cleaning;
 - Water Hygiene Testing in Supported Housing Projects;
 - Emergency Lighting in Supported Housing Projects.
 - Managed Property Services - The Association manages 1 property for RAMH and 6 properties for Turning Point Scotland. Service charges are levied to enable the Association to recoup management costs associated

with housing management, maintenance, and financial functions. This is in addition to charges for property maintenance; communal heating & lighting; and furnishing the common areas.

5. Tenancy & Occupancy Agreements

- 5.1 BHA will advise new tenants and/or owners of any service charge elements within their development, and these will be set out within the Tenancy and/or Occupancy Agreement. Service charge items for owners will normally be detailed in their Deed of Conditions and/or Written Statement of Services.
- 5.2 We will not normally introduce a charge for a service that is not specified in the Tenancy Agreement unless the tenant, or a majority of tenants/occupants in a block following consultation, agrees to this. However, we may do this if the charge is being introduced for necessary housing management reasons, such as introducing close cleaning where occupants are not cleaning the common parts effectively.

6. Introduction of New Services

- 6.1 From time to time, it may be beneficial or necessary to introduce new services. When considering the introduction of a new charge the Head of Housing Services will consider:
- The background and reasons for the introduction of the proposed service
 - The objectives of the new service
 - An options appraisal detailing the financial implications to the Association
 - Proposed service charges to meet the cost of the service in full.
 - Where possible, comparable service charges levied by other social housing providers for similar services.
- 6.2 Where new services are to be introduced, the tenants or occupants concerned and if appropriate their carers/support workers/advocates will be fully consulted on the nature of the new services and the proposed cost.

7. Quality of Service

- 7.1 We are committed to providing services to all customers which are of a reasonable standard and offer value for money.
- 7.2 The Association will also consider The Scottish Housing Regulator's Scottish Social Housing Charter Standards 14 and 15 for rent and service charges which state that:

“Social landlords set rents and service charges in consultation with their tenants and other customers so that:

- *a balance is struck between level of services provided, the cost of the services and how far current and prospective tenants and service users can afford them*

- *tenants get clear information on how rents and other money is spent, including details of individual items of expenditure above thresholds agreed between landlords and tenants.”*

7.3 The Association will use the following methods to assess quality of service on an on-going basis.

- i) Annual review of actual cost of service.
- ii) Annual review of actual services carried out.
- iii) Competitive tender of services carried out.
- iv) Ensure Contractors comply with good practice, Health & Safety and Equal Opportunities standards set by the Association.
- v) An annual review of the administration cost of providing the service (where applicable).
- vi) An annual review of the performance of each Contractor carrying out services.

8. Customer Satisfaction

8.1 The Association endeavours to ensure that tenants are satisfied with the outcome of the services provided to them. This will be assessed in the following ways:

- i) Tenant satisfaction survey carried out every 3 years to assess overall satisfaction and value for money
- ii) Tenant Consultation at each Rent and Service Charge review period
- iii) Regular newsletter articles regarding the services and encouraging contact with the Association regarding dissatisfaction
- iv) Review of any complaints received relating to services provided

9. Appeals and Complaints

9.1 Appeals or complaints against our operation of this policy will be processed through the association’s complaints handling procedure, which is available at our office or on our website www.bridgewaterha.org.uk

10. Equalities Commitment

10.1 BHA aims to treat all customers with respect and professionalism and will ensure that this service is fair and accessible to all. Where Tenants have any particular needs or requirements, BHA will do all that it can to ensure that its services are tailored to these needs.

10.2 This Policy will not be used to discriminate against any individual or household on grounds of race, religion, marital status, disability, age, sexual orientation, gender reassignment, political opinion, pregnancy, or maternity. BHA aims to promote equal opportunities and comply with the requirements of the Equality Act 2010.

11. Data Protection Regulations

- 11.1 The Association will treat personal data in line with our obligations under the current data protection regulations and our own policy.

Information regarding how data will be used and the basis for processing data is provided in the Association's Privacy Notice.

12. Monitoring and Review

- 12.1 This policy will be reviewed every three years, unless amendment is prompted by a change in legislation, operational requirements, or customer feedback. The Policy will be reviewed in consultation with tenants, sharing owners and staff as part of the annual rent and service charge increase consultation process.
- 12.2 Individual service charges will be reviewed annually as part of the Association's rent and service charge increase consultation processes.