



YOUR SERVICE CHARGES EXPLAINED

Your service charge statement

Your statement will show an estimate of your service charges for the coming year. Although we base the estimate mainly on the previous year's costs and any changes that we know about, some costs are less easy to predict, such as repairs.

If we have to spend more money or less than we expected, we will adjust the estimated accounts for next year to reflect this.

Reserve funds for flats

A reserve fund is a sum of money that a landlord keeps in reserve for major work, such as replacing windows. It is good practice for landlords to have reserve funds, but we can do so only if your lease says we can, or if residents have asked us to. Using a reserve fund makes it easier for residents to pay their share of costs when the time comes to do the work. If there are insufficient funds in the reserve fund to cover the cost of the work, we will still do the work, and residents will have to pay the balance as part of their service charge, spread over the following year.

We hold in trust all the money residents pay to the reserve fund. If there is no reserve fund for your building, and enough residents want one, you can ask us to operate one.

Under the terms of flat leases, we are responsible for maintaining the structure of your building and you are liable to pay your share of the costs of doing this. Building maintenance must be done regularly, usually in a cycle (cyclical work), the requirement to do this work is set out in your lease.

The reserve fund must be used for a specific purpose, and on most buildings and estates it is used only for cyclical work. The reserve fund for cyclical works cannot be used towards paying for roof work. For some newer developments, there will be reserve funds for other things, and we will show these separately on your statement if there is a reserve fund of this kind for your building or estate.

Cleaning

The charge for cleaning covers the cost of staff, materials and equipment. The cleaning contractor will inspect and clean the bin stores, clean the communal areas inside the building and sweep any shared paved areas. Costs may also include cleaning the windows and changing the light bulbs.



Estate electricity

If your flat is in a building that is part of a larger estate, you may have to pay towards electricity for the estate as well as for your block. If you live in a house on an estate where we are responsible for communal areas, you may also have to pay towards electricity for the estate.

Block electricity

The charge is for the cost of supplying electricity to the communal areas of buildings, such as hallways, stairs and parking areas.

Gardening

The charge for gardening is for maintaining the flower beds, shrubs, grass, borders and verges. If your building is part of an estate, or if you have a freehold house on an estate, you may also have to pay towards maintaining the areas in and around the estate. The gardening charge does not include replanting shrubs or flowers or maintaining the trees. The contractor will charge us an extra fee for this, which will be listed on your statement.

Community centres

If there is a community centre on your estate, shared-ownership leaseholders on the estate must usually contribute towards the cost of maintaining the centre.

Building insurance

If we own the freehold of your home, we will normally make arrangements for insuring your building. Enclosed is a summary of the building insurance, which sets out what is covered and how to make a claim. Please note there is a £250 excess on most claims (that is, you must pay the first £250).

We strongly advise you to take out insurance for the contents of your home.

General repairs

We are responsible for all communal repairs to your block and estate and you are responsible, generally, for all other repairs in your home. As a rule, you are responsible for everything inside your flat that is not structural. The Leaseholder Handbook gives more details about this. If you need another copy of the Leaseholder Handbook, let us know.



Inquilab Housing Association
Unit 3 | 8 Kew Bridge Road | Brentford | TW8 0FJ
T: 0208 607 7777
customersandcommunities@inquilabha.org
www.inquilabha.org

Cyclical work to flats

We are responsible for regularly decorating your building set out in most leases

Lifts

Where there is a lift, we arrange for it to be maintained and insured.

Water

In some newer buildings, the water authority will supply a single pipe, and the water pressure must be boosted for individual properties to get their supply. If this is the case for your property, we need to collect water and sewage charges from you. The service charge includes the water authority costs, the equipment costs and our costs for collecting the charges.

Door-entry systems and CCTV

There may also be a charge for the cost of other services, such as controlled gate- or door-entry systems and CCTV. There may also be charges for the cost of dealing with pests like mice and wasps.

Management charge

Your statement will show a management charge. Here is a list of some examples of what this charge might include:

- Negotiating contracts for services, such as cleaning contracts
- Monitoring contracts for services
- IT systems
- Maintaining account records of income and expense
- Sending out estimated and final accounts
- Recording charges and payments
- Managing the reserve fund
- Collecting payments
- Managing arrears
- Legal fees for recovering arrears
- Providing facilities for reporting repairs
- Answering enquiries about leases
- Giving our residents general information
- Dealing with anti-social behaviour
- Surveying the condition of our properties
- Involving residents, for example through consultation
- Consulting residents about our plans
- Newsletters, information leaflets and other publications.



Inquilab Housing Association
Unit 3 | 8 Kew Bridge Road | Brentford | TW8 0FJ
T: 0208 607 7777
customersandcommunities@inquilabha.org
www.inquilabha.org