

Tenants Service Charges

FAQ for consultation – General Needs Tenants only (see separate script for Sheltered Housing tenants)

What is a Service Charge?

As part of the rent we collect from our tenants we can make specific charges for services which are provided as part of our management of our properties.

We already charge tenants as part of their rent for Caretaking and Concierge services we provide.

We are now proposing to extend this to other services for which there is no charge at present;

- Lift maintenance and repair
- Heating and lighting in communal areas
- Secure door entry
- Maintenance of the communal greens / other grass areas around our properties

What is changing?

We intend to introduce service charges for all tenants in properties where one or more of the above services are being provided.

Why is this changing?

The cost of providing these services is over £2million per year. This is currently paid for by using part of the rent collected from all tenants, and not just those who receive these particular services. We believe the change will ensure that the charges are fairly collected from those who receive these services. Leaseholders already pay for all the service they receive.

Who currently pays service charges?

Councils are entitled to recover the costs of these services from all users but at present we only recover the charges for these services from leaseholders.

When will this start?

We intend to introduce this from 1st July 2017.

Who is affected?

All tenants living in flats or houses who receive one or more of the above services.

If I live in a house, will I still be paying service charges ?

You will not be charged for lift maintenance, heating and lighting of communal areas or secure door entry if you do not receive these services. You may have to pay a grounds maintenance service charge if the Council is providing this service close to your property.

How much will it cost?

The exact charges have not been agreed yet but for tenants receiving all the above services we would expect the additional charge to be approximately £8.00 per week in 2017/18. Any further increases will be on a phased basis over three years to allow sufficient time for you to budget for the increase.

Do other Councils charge for this?

Yes, other Councils charge tenants for the costs including; Basildon, Havering, Barking and Dagenham and Medway in order to recover their costs.

How will I pay this?

All these charges can be included in your Housing Benefit claim if you are receiving Housing Benefits. If you do not qualify at present because your income is only slightly above the required amount, you may be eligible if you re-apply and include the charges in the overall rent for your claim. If you are not receiving benefits you will have to pay from your other sources of income.

Are there any exceptions to who pays?

No – after this change every tenant who receives these particular services will be paying for them. If you do not receive a service – for example you live in a block without lifts – you will not be charged for what you do not receive.

Can you help me pay the charges?

Our Rents and Financial Inclusion team can help you to budget for your rent and give you assistance with making sure you can pay your new rent,

What happens if I can't pay?

As the charges are included in your rent the normal action would be taken if you fall into arrears – we will work with you to prevent this wherever possible.

Can I complain/appeal?

Yes – *if* the charges are introduced for all tenants you will have the legal right to challenge the increase.

What happens next?

Consultation is taking place with all affected tenants. When this has finished the Council will review all the responses and decide whether to bring in these charges.