



**Aberdeenshire** *housing partnership*

# **Service Charges Policy**

**November 2005**

**Aberdeenshire Housing Partnership will operate an effective and efficient management in applying service charges.**

**Service charges are necessary where the costs of the items concerned are not covered by the rent. We will ensure that service charges are applied which represent value for money but also provide a high standard.**

## **1.0 INTRODUCTION**

Aberdeenshire Housing Partnership (AHP) realises the need to maximise rental income by levying a service charge for those items not covered by the rental charge. This policy will be implemented to ensure a high quality and value for money service is provided.

## **2.0 AIMS & OBJECTIVES**

The aims of this policy are to ensure:

- all service charges represent value for money and that they are based on high standards and current good practice
- New tenants are informed of any service charge before they sign a tenancy agreement.
- Health and safety requirements are met and applied quickly on all open spaces to ensure sites are safe for tenants and their children to use.

## **3.0 TERMS OF REFERENCE**

3.1 This policy was compiled with reference to the following relevant legislation:

- Housing (Scotland) Act 2001
- Human Rights Act 1998
- Data Protection Act 1998

## **3.2 Performance Framework**

This policy complies with Communities Scotland Performance Standard AS 1.7.

## **4.0 APPLYING SERVICE CHARGES**

4.1 We will only make a service charge where it is necessary to do so, i.e. where the costs of the items concerned are not covered by the rent.

4.2 Examples of where a service charge may be required will include:

- the nature of the building, e.g. a building with staff employed and a variety of amenities which need to be maintained;
- where a development has communal grassed areas and play equipment which require to be cut or internal common areas which need to be maintained;
- where the depreciation and/or maintenance costs of communal equipment such as door entry systems are not included in the rent;
- where electricity/heating consumption is not billed directly to residents

## **5.0 NEW DEVELOPMENTS**

5.1 In planning our new developments we will aim, through liaison between Housing Services and Property Services, to minimise the creation of unnecessary shared external areas for which service charges will require to be levied.

5.2 Where shared external and internal communal areas are to be provided we will aim to maintain such areas to high environmental and amenity standards.

5.3 During the first 12 months following the handover of a new scheme Property Services staff will ensure the application of the open space maintenance contract specification and standards are being achieved and regularly monitored.

## **6.0 SERVICE CHARGE CONTRACTS**

6.1 We will seek new tenders for contracts for communal maintenance such as open space maintenance in accordance with our procurement policy.

## **7.0 CALCULATING SERVICE CHARGES**

7.1 Service charges will be based on the actual cost of providing the service plus a charge to cover our administrative costs in providing the service.

7.2 We will provide each tenant from financial year 06/07 with a breakdown of their charges to show the rent they will pay for their home and, where applicable, any service charges also to be paid.

7.3 We will aim to provide all existing tenants with a schedule of their service charges each February advising tenants of their new service charge with effect from 1st April each year.

7.4 For all new tenants we will provide a full schedule of their service charges at the beginning of their tenancy. Where possible in initial offer letters we send out we will clearly show the details of any service charges applicable in addition to the appropriate rent. This information will also be stated in the Tenancy Agreement.

7.5 For the tenant, the total cost of providing services at their development will be split evenly between the number of tenants living there. An exception to this is in flatted developments with an enclosed garden for the tenants' exclusive use. Where this area is maintained tenants in the flats will have a separate charge element to cover this additional service.

## **8.0 RECOVERY OF SERVICE CHARGES**

8.1 Tenants are required to pay service charges as a condition of the SST agreement. Non payment will result in our rent arrears policy being applied where appropriate.

## 9.0 COMMENTS AND COMPLAINTS

- 9.1 We will respond to queries raised by tenants regarding their service charges within 10 working days, where we can reply based on the information held in our files.
- 9.2 We will deal with complaints about service charges in accordance with our Complaints Policy.
- 9.3 If a tenant remains dissatisfied with our response, including any response following an appeal, they may take the matter up with the Scottish Public Services Ombudsman.

## 10.0 MONITORING AND REVIEW

- 10.1 The Property Services Manager will be the lead person in the development and implementation of this policy. The Management Team are responsible for ensuring that this policy and the procedures are implemented by all relevant staff.
- 10.2 This policy will be reviewed by the Development & Property Committee every 3 years or as required following a substantive legislative or performance requirement.

## 11.0 OTHER RELATED POLICIES

- Estate management policy
- Development policy
- Rent arrears policy

Policy reference number	D0
Current version approved	November 2005
Policy approved by	Development & Property Committee
Date of next review	November 2008
Policy complies with	Performance Standard AS1.7