



# YOUR GUIDE TO RENT AND SERVICE CHARGES



# 01

## WELCOME

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This guide has been created to provide social housing customers with information about rent and service charges paid to Pine Court Housing Association (PCHA).

If you have a different type of rent – affordable rent or fair rent, see page 15.

# 02

## UNDERSTANDING SOCIAL RENT

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### What your rent pays for

Your rent covers the cost of managing, repairing and improving your home.

### How is social rent calculated?

Your rent is reviewed and set from April each year and is calculated using a single government formula. The formula sets a target rent level for each property based on the value of the property, the number of bedrooms and local earnings. This ensures that your rent is affordable.

If you are under-occupying your property and in receipt of benefits, you may be responsible for paying the under-occupation charge (bedroom Tax).

### Changes to your rent

Any changes will be applied from the first Monday of April each year. We will notify you of any changes to your rent in writing, providing at least four weeks notice.

Most rents should reduce by 1% per annum until 2020. This applies in the majority of cases, but specifically excludes specialist supported accommodation\*.

*\*If you live in specialist supported accommodation and/or receive additional services which are covered by a separate service charge, your rent may go up during this period.*

### Paying your rent

Social rent is payable weekly in advance, in accordance with your tenancy agreement.

In addition to your rent, you may be required to pay a service charge. Further details of these charges can be found on page 7.

Find details of different payment methods on page 13.



# 03

## UNDERSTANDING SERVICE CHARGES

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### What is a service charge?

A service charge is your contribution towards the costs of additional services which are beyond the benefit of occupying your home.

Service charges can include the provision of security (including door entry and CCTV), cleaning, heating and lighting in communal areas, as well as grounds maintenance and other services.

Details of your service charges will be confirmed to you annually in your rent and service charge notification letter.

Service charges must be reasonable and the services provided must be carried out to a reasonable standard. You will only be charged a service charge if your

home benefits from the service. If you are required to pay a service charge, your tenancy agreement will summarise how we will consult with you and notify you of any changes in services and/or costs.

### Calculating service charges

The service charges you pay depend on where you live, the actual cost of the services that you receive, and whether your tenancy agreement is fixed or variable (see *explanation of fixed and variable service charges on page 8*).

Each year we assess how much we expect to spend on providing services to your property. This is based on an estimate of costs and it includes inflation and reflects the costs charged by our contractors.

These costs are then apportioned (divided) by either:

- *those customers who receive the service, or*
- *the number of properties in each block of flats, or*
- *the number of properties within each specialist/specified accommodation unit.*

We regularly review our service costs to ensure that they deliver value for money, and to ensure that our charges remain as accurate as possible.

### Fixed and variable service charges

Your tenancy agreement confirms if your service charge is fixed or variable.

*The difference between the two types of service charge is summarised here:*

**Fixed Service Charge** – This charge is fixed at the start of the year, based on an estimate of the service cost.

If the actual cost of the service at the end of the year is higher or lower than the estimate, the charge cannot be changed. However, the charge may be changed the following year to ensure that the full cost of the service is recovered from customers.

**Variable Service Charge** – This charge can vary and is set at the start of the year, based on an estimate of the service cost. Unlike a fixed service charge, if the cost of the service increases or decreases, the charge can be changed accordingly to ensure that customers pay the true cost of the service. In these cases, surpluses/deficits will be dealt with in accordance with your tenancy agreement.

### What is depreciation?

Some services require significant capital investment, e.g. door entry systems. These can be expensive, and once installed can have a lifespan of 15 years.

Depreciation is a method used to recover high value service costs over the assessed life of an item.

By charging depreciation we spread the cost annually to make these services more affordable, e.g. in the case of a door entry system we would spread the cost over 15 years and recover one year's contribution per annum until the full cost is recovered.

### Will Housing Benefit or Universal Credit help me to meet these costs?

If you are in receipt of Housing Benefit or Universal Credit most service charges will be covered through your benefits.

You are, however, liable to pay for any personal heating or water charges, as these are not covered by Housing Benefit or Universal Credit.

### How do I know what to pay?

The rent and service charges that you are required to pay will be detailed in your annual rent and service charges notification letter, which you will receive in February each year.

If you are in receipt of housing benefits we will contact your Local Authority and inform them of any increase or decrease in your rent and service charges. If you pay by Direct Debit we will also make the arrangements to increase or decrease your regular payment.

If you pay by alternative means, you should continue to pay your rent/service charges in this way. Find more information about payment methods on page 13.

### Understanding different service charges

Here's the list of all services which can incur service charges. Depending on your tenancy agreement, some (or maybe even all) of these service charges **may** apply to you:

#### Communal cleaning may include:

- Cleaning of communal landings/hallways lifts
- Window cleaning (internal/external) as relevant

#### Security may include:

- CCTV (cameras and surveillance equipment)
- Control room monitoring of cameras
- Caretaking services as relevant

#### Door entry includes:

- Security doors (depreciation and annual maintenance) and access control equipment (door fob/keys)

#### Digital aerial includes:

- Provision of a communal aerial and/or other equipment to receive digital TV (depreciation and annual maintenance)

#### Communal utilities may include:

- Communal electricity
- Communal gas
- Communal water
- Communal lighting
- Communal phones

#### Management charge includes:

- The administration costs incurred when organising and managing these additional services

#### Buildings insurance includes:

- The cost of insuring your home (bricks and mortar only) if you are a leaseholder or shared owner

#### Compliance may include:

- Legionella
- General health and safety
- Fire safety/alarms
- Emergency lighting/Portable Appliance Testing (PAT)
- Lift maintenance

#### Retirement housing scheme facilities may include:

- Provision and running cost of communal lounge (if available)
- Provision and running cost of kitchen, laundry and salon facilities (if available)
- Depreciation and maintenance of communal furniture and equipment

#### Furniture packages include:

- Provision of furniture

#### Independent Living Officer includes:

- Provision of staff time to support Independent Living services

#### Estate management may include:

- Landscaping
- Grounds maintenance and tree management
- Sewerage
- Signage

#### Personal charges include:

- Personal heating/water  
*(You are liable to pay any personal heating or water charges, as these are not covered by Housing Benefit or Universal Credit)*

#### Careline charges include:

- Call monitoring

#### Lifeline charges include:

- Provision of lifeline equipment/pendant (depreciation and maintenance)

#### Agency managed services include:

- Provision of specialist support services by an external agency.



# 04

## PAYMENT METHODS

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For your convenience, you can choose from a variety of payment methods:

### Direct Debit

If you have a bank account you can set up a Direct Debit for hassle-free payments. Please call **0151 709 6878** for more details. It's the quickest and most convenient way to pay.

### Post Office or PayPoint/ Payzone outlets

You can pay by cash or debit/credit card at the Post Office or at retail outlets displaying the Payzone or PayPoint sign.

### Paying by telephone

If you have a debit/credit card you can pay your rent/service charges from the comfort of your home. Just call **0151 709 6878**.

### Paying online

If you have a debit/credit card you can pay online at any time using our AllPay service at **[www.allpayments.net](http://www.allpayments.net)**

More information about paying your rent/service charges can be found on our website **[www.pinecourt-housing.org.uk](http://www.pinecourt-housing.org.uk)**

If you fail to pay your rent and service charges when given reasonable requests to do so, it will be classed as a breach of your tenancy agreement and we will take enforcement action in accordance with our rent payment and arrears recovery policy.

**Your home is at risk if you fail to pay.**

### Statutory consultation and rights to appeal

If you have a dispute about your rent or service charge, we would encourage you to contact us directly to see if we can resolve the issue. If you are still dissatisfied you may appeal to the First Tier Tribunal Property Chamber (Residential Property) for a determination.

We will consult with you regarding service charges in accordance with the terms of your tenancy agreement. For those customers whose tenancy agreement confirms variable services charges, we will comply with the consultation requirements set out in section 20 of the Landlord and Tenant Act 1985 as relevant.

# 05

## OTHER RENT TYPES

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Pine Court Housing Association offers a variety of rental options (not just social rent). The type of rent which applies to you was agreed at the start of your tenancy (and will be stated in your tenancy agreement).

*Here's an explanation of the other rent types and how they're calculated:*

Rent valuations are independently assessed in accordance with the Royal Institute of Chartered Surveyors. PCHA is able to increase or decrease market rents, to reflect market conditions and demand.

### Affordable rent

Affordable rent is set annually, at no more than 80% of the market rent value (inclusive of service charges) at the time the property was first let.

Where an affordable rent is valued above the Local Housing Allowance (LHA) rate and where local market conditions demonstrate demand, we reserve the right to set the rent above the LHA rate.

Like social rent, affordable rents will reduce by 1% per annum until 2020.

### Fair rent

Those who have a secure tenancy (pre 15 January 1989) are likely to be paying a fair rent, which is set and registered every two years by the Valuation Office Agency (VOA). Once the rent is registered, this is the maximum amount that we can charge until it's reviewed or cancelled.

From 2016 to April 2019 we will review rents annually, and if applicable, we will reduce your rent by 1% per annum.



# 06

## HELP US TO IMPROVE

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Your knowledge and understanding of the issues affecting you and your neighbours is invaluable to us; ensuring that we focus our attention and efforts on the things that matter most.

Send us your feedback and suggestions by calling us or emailing [contactus@pinecourt-housing.co.uk](mailto:contactus@pinecourt-housing.co.uk). If your idea is used you will be rewarded with a £30 gift voucher.

### Become an involved customer

You can get involved as little or as much as you like, with our range of involvement options.

To find out more contact us on 0151 709 6878 or email [contactus@pinecourt-housing.co.uk](mailto:contactus@pinecourt-housing.co.uk)

### Provision of additional information

If you have any further questions relating to your rent or service charges which are not answered in this guide, please do not hesitate to contact us on 0151 709 6878.



## NOTES

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## GET IN TOUCH



 [pinecourt-housing.co.uk](http://pinecourt-housing.co.uk)

 0151 709 6878\*

 [contactus@pinecourt-housing.co.uk](mailto:contactus@pinecourt-housing.co.uk)

 [@PineCourtHA](https://www.facebook.com/PineCourtHA)

 [facebook.com/PineCourtHousing](https://www.facebook.com/PineCourtHousing)

 [Pine Court Housing Association](https://www.linkedin.com/company/pine-court-housing-association)

 [Pine Court Housing Association](https://www.youtube.com/PineCourtHousingAssociation)

*The information inside this leaflet  
was correct at time of publication.  
For the most up-to-date information,  
please visit [pinecourt-housing.co.uk](http://pinecourt-housing.co.uk).*



Pine Court Housing Association is part of The Sovini Group

*\*8am - 6pm, Monday to Friday excluding bank holidays.  
Emergency repairs, 24 hours, 7 days a week*

We're proud to hold a number of awards and accreditations which demonstrate our commitment to creating a better future for our colleagues, customers and communities.

To find out more visit: <https://www.pinecourt-housing.org.uk/about-us/governance/certifications-and-accreditations/>

If you need help understanding the information in this document, or you would find it easier to access in large print, Braille or audio, please contact us on **0151 709 6878**.

### **Chinese**

如果閣下需要幫助了解本文件中的資料，或閣下想索取大字體、盲文或音帶，詳情請致電 **0151 709 6878** 向我們查詢。

### **Russian**

Если вам нужна помощь в понимании информации, содержащейся в этом документе, или было бы легче получить доступ в более крупном шрифте, шрифте Брайля или аудио, пожалуйста, свяжитесь с нами по **0151 709 6878**.

### **Polish**

Jeśli potrzebna jest pomoc ze zrozumieniem niniejszego dokumentu, sporządzenie go z użyciem większej czcionki, w piśmie Brailła lub w formie audio, prosimy o kontakt pod numerem **0151 709 6878**.

### **Portuguese**

Se tiver alguma dificuldade em compreender a informação neste documento, ou se preferir recebê-la em Braille, áudio ou em letras e caracteres de maior dimensão, por favor contacte-nos através do número **0151 709 6878**.

### **Turkish**

Bu dokümandaki bilgileri daha iyi anlamak için yardıma ihtiyacınız varsa ya da daha büyük harfli, kabartma alfabeli veya da sesli doküman tercih ediyorsanız lütfen bizi arayın. Numaramız **0151 709 6878**.

### **Lithuanian**

Jeigu jums reikia kokios pagalbos suprantant informaciją siame laiske, arba jeigu jums butu patogiau didesniu sriftu, Brailio rastu ar audio irasu, prasome skambinti situo numeriu **0151 709 6878**.