



Homeowners

Understanding your Variable Service Charge

September 2020

About your service charge

Variable Service Charge

You have a variable service charge - this means the amount you pay changes every year, depending on how much your services cost.

This is why we send you a final account statement. It shows how the actual cost of providing your services from

1 April 2019 to 31 March 2020 compares with the estimated cost we sent you in February 2019.

How do you work out my service charge?

We use a variable system to work out your service charge because this is a term of your tenancy agreement. This means that every year we estimate the cost of each communal service and charge you for your share of that estimation.

We work out your estimate by analysing past costs for your services and taking both inflation and the contractors' costs into account.

We then fully review all costs incurred during the financial year and send a statement showing any differences in September.

CORONAVIRUS

The service charge calculations for 2019-2020 are not affected by the current coronavirus situation as the expenses were prior to March 2020.

Your rights and obligations

Do I have to pay the service charge?

Yes - it's a condition of your lease which you signed when you purchased your home.

What legal rights do I have to challenge the service charge?

You can challenge the reasonableness of a service charge or its standard at the First-tier Tribunal. Please refer to the 'Summary of your rights and obligations' for more information.

We recommend that you get independent legal advice before doing this.

I'm unhappy with my current service - what can I do?

Your statement is for the period **1 April 2019 to 31 March 2020**. It is not a statement for the services you are currently receiving.

If you have a question or complaint about your current service, please report this to us by emailing enquiries@pahousing.co.uk, phoning us on **0300 123 2221** or logging in to My PA.



I overpaid on my service charge - why haven't I received a refund?

If your statement shows a surplus (owed to you), we will refund you the money as long as your account is fully cleared.

To receive your refund, please email **refunds@pahousing.co.uk** with 'refund request' in the subject line, including your bank account details and your reference number, found on your notification letter, in the body of the email.

Alternately, you can request a refund by visiting the My PA portal and select the refunds tab.

We will process your refund as soon as we can, but please bear with us as we are expecting a high volume of requests.

We aim to process your refund within three weeks of you sending us your details.

We can only give a refund if you do not have any outstanding balances with PA Housing.

Please note that interest is not payable on this amount.

I underpaid - do I need to pay the amount I owe?

Yes - you will see a difference on your statement and it is your responsibility to pay this. The easiest way to pay is through the My PA portal or by contacting us on **0300 123 2221**.

Does housing benefit cover my service charge?

Usually - housing benefit covers service charges in most cases.

Please note that housing benefit does not cover the cost of services you use in your own home (e.g. heating and electricity).

If you are in any doubt, please contact your local housing benefit office for advice.

Why are the actual costs more than the estimates?

Your service charge changes every year depending on the actual cost of providing your service. Here are some examples of why your service charge may have gone up:

- Electricity charges change depending on the usage and accuracy of readings.
- The level of service may have increased based on requests by other residents.
- Your share of the costs may have changed following a review.
- The cost of repairs to your shared areas may be higher than the year before.

For more information, please contact **enquiries@pahousing.co.uk**, phone us on **0300 123 2221** or log in to My PA.

What can I do if I'm having problems paying my rent and/or service charge?

If you're having difficulties paying, please contact us as soon as possible through My PA, enquiries@pahousing.co.uk or call on **0300 123 2221**.

The team can discuss your payments with you, and offer support if needed.

To find out if you're entitled to housing benefit or Universal Credit to help you pay your rent, you can:

- use the Government's online benefits calculator at www.gov.uk/benefits-calculators
- contact your local authority Housing Benefits team
- get in touch with our tenancy sustainment team using the contact details below

What additional support can I receive?

If you need help you can contact us through My PA, enquiries@pahousing.co.uk or call on **0300 123 2221** and ask for the tenancy sustainment team, who can provide free and confidential advice and support.

We offer a range of services, such as:

- a free welfare benefits check
- support with debt advice
- help with getting you online
- employment advice
- seeing how you can save on your energy bills

For certain cases, we may be able to offer financial assistance to help with:

- immediate hardship
- getting back to work

We can also refer you for additional support to Citizens Advice or to other organisations that can help with money matters.

Citizens Advice gives free, independent and confidential advice. Phone their Adviceline on **03444 111 444** (you will hear options for recorded information if it's not available in your area).

You can find out more by visiting your local branch or their website: www.citizensadvice.org.uk

Why do I pay a service charge when I live in a house?

Your lease says that you still need to contribute to the upkeep of nearby public open spaces like parks, gardens and playgrounds. If we look after these areas instead of the council, you will receive a service charge statement from us.

Your service charge statement explained

Your statement shows how much each of your services cost from **1 April 2019 to 31 March 2020**.

Please refer to the guide in your pack 'Understanding your statement 2020' and download the Service charge Descriptions document for information about each listed cost in your statement so you can find out exactly what you're paying for.

Reserve Funds

These are funds that are set aside for future work to your building or block. You may see one or more of the following terms on your statement:

Cyclical fund

This is to redecorate your building's interior and exterior communal areas.

Sinking fund

This is for major work like window replacements or roof repairs.

Replacement fund

This is for replacing carpets or other equipment

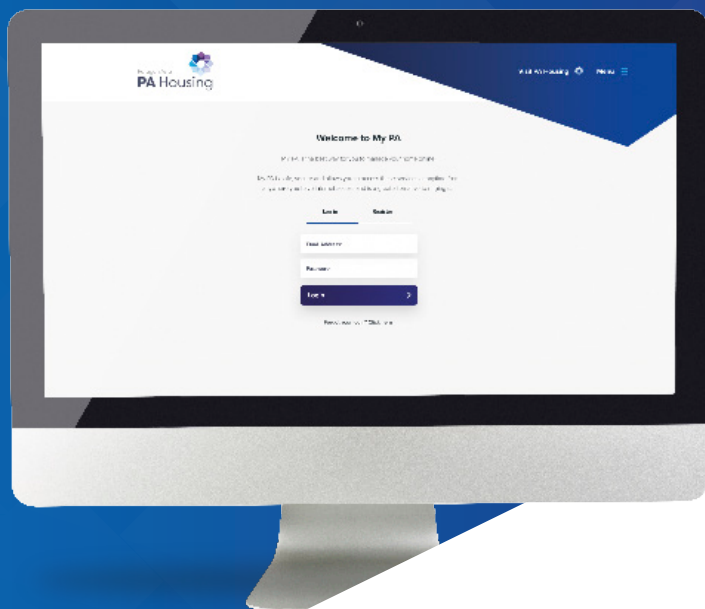
CERF account

Capital Expenditure Reserve Fund. If you have this kind of account, it may include all of the above



Sign up for a **My PA** account

Visit www.pahousing.co.uk to find out how to access your My PA account, where you can manage your home online and access a variety of our services 24/7.



Contact us:



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enquiries@pahousing.co.uk



www.pahousing.co.uk



0300 123 2221

Your needs

If you would like to receive this information in large print, or translated over the telephone, please call us.