



What is a service charge?

A service charge is an amount a tenant or owner pays to cover the cost of providing communal or shared services, repairs and maintenance to a building and, if applicable, the neighbouring estate. It is paid in addition to the rent and/or mortgage. Your tenancy or lease document sets out the service charges you pay.

What is included in the service charge?

Some examples of what might be included in the service charge are grounds maintenance, cleaning of communal areas and administration costs. If you live in a sheltered or supported scheme, your service charge might include an amount to cover staff employed at the scheme or costs associated with maintaining communal areas, such as gardens, laundry rooms and communal lounges.

See the table on page 3 for more details about what is included for each service charge.

How is the price set for services, repairs and maintenance?

The amount passed on to tenants is the exact cost Soha is charged by its suppliers and contractors for the services, repairs and maintenance. In addition, we charge an administration fee which averages £45 per year depending on the type of property and what services are provided to you.

The recent substantial fuel cost increases have had an impact on our energy supplier costs and also the fees charged by our contractors. Whilst we have secured the lowest energy prices possible we must reluctantly reflect these and other supplier increases in your service charges.

We are also aware there have been challenges providing a full Grounds Maintenance service in some areas. We are currently working with our suppliers to ensure we make the appropriate payments for the work carried out.

How is the annual service charge worked out?

There are two steps to calculate the charge.

Step 1 Estimate for the coming year.

We calculate:

- the amount we estimate to spend on services related to your building, estate or scheme in the coming year. This is based on the actual costs for the previous year.
- expected inflation rate.
- VAT payable.

Step 2 Calculate the difference between the estimate and the actual costs.

Once the actual cost for the previous year is known we work out the difference between our estimate and the actual amount Soha was charged by its suppliers and contractors for the services relating to your property and estate.

How do we handle estimated surplus or deficit differences?

The notice of upcoming service charges we send give an indication of what you can expect. Soha aims to be as accurate as it can, but these are only estimates.

At the end of the financial year we review the actual costs against the estimate we provided you at the start of the year. This might show a:

- **Surplus** - the estimate we gave you was too high and there is money left over or a
- **Deficit** - the estimate we gave you was too low and the services ended up costing more money than we collected from you.

We take any surpluses or deficits into account for the following year and adjust your service charges accordingly. If there is a surplus, we will reduce your service charges; if there is a deficit, we increase your service charges. Service charges are variable, meaning they will change each year depending on the amount spent on your building, estate or scheme. This also means your estimate might increase some years and decrease in others.



How is a surplus paid back or deficit collected?

We deduct/add any surplus/deficit from the following year's estimated service charge.

When will I be notified of the service charge?

We send you a summary showing what we have charged you for each service you received and the actual amount you will be charged.

Notification to advise how much you will pay is as follows:

- Leaseholders, Shared Owners, private owners and Extra Care (shared owners) – service charge statements go out in July and charges change from August (service charge year 1 April to 31 March).
- General Needs, Independent Living, Extra Care (rented) – service charge statements go out in February and charges change from April (service charge year 1 April to 31 March).
- Ex-Bromford properties – service charge statements go out end of Oct/beginning of Nov and charges change from December (service charge year 1 Oct to 30 Sept).

Why are other residents' charges different to mine?

Service charges are designed to ensure that each property is charged for its share of the actual costs of providing communal facilities or services. As the buildings and estates we own and manage are all different, so too are the amounts that residents in various buildings are charged. If a neighbour's service charge is not the same as yours this might be because they have different repairs or services.

Does Soha make anything out of service charges?

No. Services are charged back to tenants at the cost price to Soha. You might be interested to know, the administration fee has not changed since 2014.

How can I pay my service charges?

Choose one of the following ways to pay	
Direct Debit 	The simplest way to pay. Direct Debit payments are collected monthly and you choose the day of the month your payment is made. Call our Customer Services team to set up a Direct Debit.
Online 	Pay online using your PC, tablet or smartphone. To set up payments online or via telephone with your bank, you just need the following info: Account name: Soha Housing Limited Sort code: 20-00-00 Account number: 83987574
Post 	Make cheques payable to: Soha Housing Limited and send to: Soha Housing, Royal Scot House, 99 Station Rd, Didcot OX11 7NN Please write your address and/or account number on the back of the cheque.
Phone 	You can now pay via our new automated phone line. You'll just need your tenancy number when you call 01235 515940 to make a payment 24/7.

What happens if I am on Housing Benefit?

The majority of these service charges are covered by Housing Benefit because they are incurred for communal use and not specifically for your home. You can speak with us about your eligibility for Housing Benefit.

Do I have an opportunity to give feedback?

Yes. We are here to discuss any queries or issues you have with your service charge. Contact us at servicecharges@soha.co.uk or give us a call on 0800 014 15 45 (Freephone).



Services : At a glance

If your home is Leasehold, Shared Ownership, General Needs, Independent Living or Extra Care you will see some of the following on your Annual Service Charges Statement. This sets out what each service includes.

Service	What this service includes
Annual cost of equipment	Servicing and maintenance of communal boilers.
Audit Fee	Soha is required to audit the financial statements under the Landlord and Tenant Act 1985 and the terms of your lease.
Automatic Door Maintenance	Maintenance of communal automatic doors in buildings
Buildings Insurance	As the freeholder, Soha is responsible for insuring buildings on behalf of residents. This means you are covered if there is damage to the structure of your property including the roof, walls, ceilings, floors, doors and windows and the full cost of rebuilding the property. This insurance covers the fabric of the building not your contents or furniture. You are responsible for insuring your own belongings and we strongly advise you to arrange your own insurance.
Communal Cleaning	Cleaning of internal communal areas and communal windows, removing flytipping and bin hire. Also includes staff wages, training and materials.
Communal Electricity and Gas	Electricity, gas and other fuel supply to external and internal communal areas e.g. unadopted street lighting, car park and pathway lighting.
Emergency Lighting and Fire Testing	Maintenance of door entry systems, electric gates, CCTV and fire protection as well as monitoring of the cameras where provided on your estate.
External Communal Water Supply	Water and sewerage charges for external taps and communal rooms and facilities.
Ground Rent	A charge for using the land where your property is sited.
Grounds Maintenance	Maintenance of the grounds around your property, including, general gardening (cutting grass etc), pavement cleaning and tree felling. Costs include salary or fees per hour and charges for cleaning materials and transport.
Housing Proactive	Tablet alert service for emergency care. Previously known as OK Each Day.
Independent Living Charge	Onsite care staff at Extra Care schemes.
Lift Maintenance	Maintenance of communal lift/s if there are any in your building.
Maintenance (Repairs)	Minor repairs carried out to the communal parts of the building and estate including mechanical and electrical services such as TV aerials and lift door entry systems.
Management Fee	Administrating and managing the services covered by the service charge including the cost of staff, general administration, and dealing with enquiries and complaints.
Personal Stairlift Maintenance	Maintenance of a stairlift if there is one in your home. This charge is not eligible for Housing Benefit or Universal Credit.
Sewage Treatment	Removal and disposing of waste for properties with a septic tank. This charge is not eligible for Housing Benefit or Universal Credit.
Third Party Estate Management	Management of the services provided by a third party management company commonly on new build estates. Also covers the costs of appointing a suitable contractor, ensuring they do the work properly and processing the payment of their invoices.
Window Cleaning	Cleaning of windows in communal areas.

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