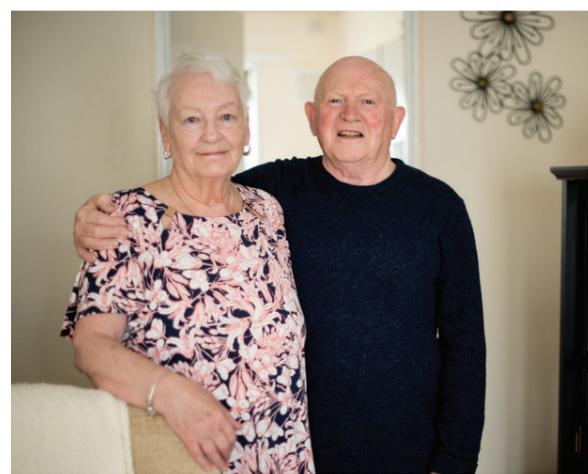
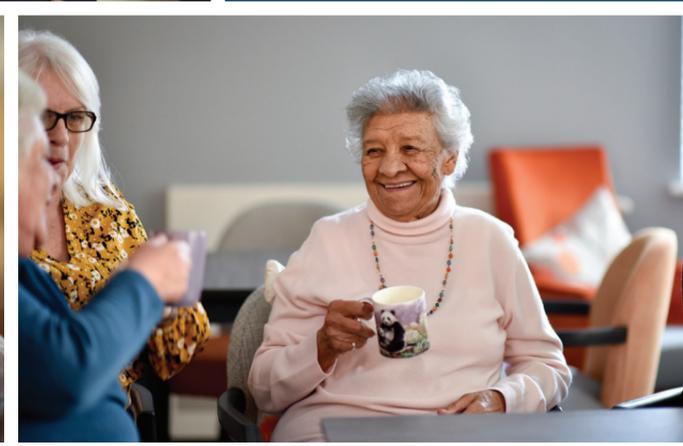




This leaflet provides a guide to understanding your Service Charge Budget.



Guide to understanding your Service Charge Budget 2019



This document can be provided in a different format, such as large print, Braille or another language. **Please contact 0370 192 4000.**



Tricorn House | 51-53 Hagley Road | Birmingham B16 8TP
0370 192 4000

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V2.SCB.04/19



Understanding your Service Charge Budget

The Service Charge Budget tells you what costs we are expecting to incur at your court for the forthcoming year. These estimated costs are split between all applicable properties over a 52 week period to calculate your weekly charge.

The Service Charge Budget will provide a comparison of the current year's budget and also the budget for next year. This is so that you can see where there are differences in the charges for each year.

This leaflet gives an example of the type of budget you will receive and is designed to explain the various terms that we use.

- 1 **Service charge costs** – confirms the name of your court and identifies the relevant year for the current and following year's budget.
- 2 **Court Manager service** – these are the costs associated with your Court Manager service.
- 3 **Repairs of the communal areas** – this covers the cost of repairing and maintaining items in the communal areas such as the central control alarm systems, service contracts for door entry systems, laundry equipment, communal and external lighting etc.
- 4 **Utilities (communal area)** – this covers all bills as listed for communal areas such as the lounge and laundry.
- 5 **Gardening** – this is the cost of the contracted service plus any additional works such as cutting back trees.
- 6 **Cleaning** – this is the cost of cleaning the communal areas on the court, either for a contracted service or for the costs of paying a cleaner employed by the court. Cleaning material costs are also included here.
- 7 **Other costs** – this covers various costs on a court. There may be some purchases for the court under Service Charge purchases that are not covered by the Usage Charge, for example lock fittings in communal areas. Some courts opt to pay the communal lounge TV Licence via the Service Charge. The cost of a coin phone box may also be included here.
- 8 **Core support costs** – these costs only relate to services provided on Extra Care courts and cover the costs of providing 24 hour support on site.
- 9 **Renewal of communal assets** – this is a contribution towards future major repairs of the building. For renters the contribution is for the replacement of fire alarm system, emergency lighting and lifts only.
- 10 **Administration** – the Fixed Management Charge covers costs incurred by Housing 21 in managing the services provided on the court.
- 11 **Income** – this shows any income received for the listed items on the court such as income from the use of the guest room.
- 12 **Total service charge expenditure** – this shows the total amount budgeted for each year. Because the Service Charge is **variable** it will also include any surplus or deficits carried forward from the previous year. It will also identify the total amount of service charge expenditure to be collected, the number of properties and the weekly service charge payable per property per week.
- 13 **Support costs** – this covers the costs incurred for housing related support services on your court. This includes both an element of staffing costs and the central alarm monitoring costs. It will identify the total amount to be collected and the cost per property per week.
- 14 **Utility dwelling charges** – this item relates to the utility costs for residents' properties where Housing 21 pays the bill on your behalf. The income received from you and any resulting surplus or deficit is also shown. Where you pay your own bills, this section will show £0.00.

N.B. we calculate two utility charges – one for small dwellings and one for large dwellings.

Housing 21 DISCUSSION DRAFT		Date printed : 22/01/2019 09:07		
4132 - Joe Bloggs Court Tenure : Extra Care - Rented		Budget 2019/20	Budget 2018/19	Variance
1 This budget sets your Service, Support and Fuel Charges for the year April 2019 to March 2020				
SERVICE CHARGE COSTS				
2 Court Manager Service		41,852	40,533	(1,319)
Staffing and Associated Costs (See Note 1)				
3 Repairs of Communal Areas		7,910	5,154	(2,756)
Repair Costs				
		4,283	5,960	1,677
Maintenance Costs				
		2,675	4,606	1,931
Lift Costs				
4 Utilities for Communal Areas		2,056	1,813	(243)
Water Rates				
		2,347	3,675	1,328
Gas Costs				
		35,879	29,051	(6,828)
Electricity Costs				
5 Gardening		14,017	11,736	(2,282)
Gardening, gritting and other ground maintenance				
6 Cleaning		37,070	38,705	1,634
Cleaning Costs of Communal Areas				
		2,322	2,729	407
Window Cleaning Costs				
		2,288	2,608	320
Cleaning Materials Costs				
		709	715	6
Gutter Cleaning Costs				
7 Other Costs		354	354	0
Sundry Purchases				
		107	104	(3)
TV Licence for Communal Areas				
8 Core Support Service		62,778	60,128	(2,650)
Staff Costs				
9 Renewal of Communal Assets		17,847	17,183	(464)
Contribution to Sinking Funds				
10 Administration		40,548	39,432	(1,116)
Management Charges				
11 Income		(2,546)	(3,578)	(1,032)
Guest room Income				
		(2,180)	(4,391)	(2,210)
Other Service Charge Income				
		270,115	256,516	(13,599)
Total Service Charge Expenditure				
		12,863	92,172	79,309
Total Service Charge Expenditure to be collected				
		282,978	348,688	65,710
Number of properties 124 (2019/20), 124 (2018/19)				
SERVICE CHARGE PER PROPERTY PER WEEK		£43.89	£54.08	£10.19

Housing 21 DISCUSSION DRAFT		Date printed : 22/01/2019 09:07		
4132 - Joe Bloggs Court Tenure : Extra Care - Rented		Budget 2019/20	Budget 2018/19	Variance
13 SUPPORT COSTS				
Support Staffing Costs (See Note 2)				
		8,968	8,686	(283)
Central Alarm Monitoring Repair and Maintenance Costs				
		7,672	6,563	(1,110)
Total Support Expenditure				
		16,641	15,248	(1,393)
(Surplus)/Deficit brought forward from previous year				
		2,358	670	(1,688)
Total Support Expenditure to be collected				
		18,999	15,918	(3,081)
Number of properties 124 (2019/20), 124 (2018/19)				
SUPPORT CHARGE PER PROPERTY PER WEEK		£2.95	£2.47	(£0.48)
14 COSTS OF UTILITIES FOR YOUR OWN HOME				
Residents Proportion - Gas Cost				
		34,232	53,048	18,816
Residents Proportion - Water Cost				
		29,994	26,448	(3,546)
Total Residents Utilities Expenditure				
		64,226	79,496	15,270
(Surplus)/Deficit brought forward from previous year				
		(17,930)	(53,779)	(35,849)
Total Residents Utilities Expenditure to be collected				
		46,296	25,717	(20,579)
Number of properties - small dwelling 17 (2019/20), 17 (2018/19)				
Number of properties - large dwelling 107 (2019/20), 107 (2018/19)				
RESIDENT UTILITY CHARGE PER WEEK - SMALL DWELLING		£5.58	£3.10	(£2.48)
RESIDENT UTILITY CHARGE PER WEEK - LARGE DWELLING		£7.43	£4.13	(£3.30)
TOTAL COSTS				
TOTAL CHARGE PER WEEK - SMALL DWELLING		£52.42	£59.65	£7.23
TOTAL CHARGE PER WEEK - LARGE DWELLING		£54.27	£60.68	£6.41
NOTES				
Breakdown of Court Manager Service Costs				
Court Manager Pay Costs (includes Salary, NI, Pension, Other Benefits)				
		54,544	53,097	(1,447)
Court Office Costs				
		5,244	4,807	(437)
Total		59,788	57,904	(1,884)
Note 1. Court manager service attributed to housing & estate management and payable within your service charge.				
	70%	41,852	40,533	(1,319)
Note 2. Court management service attributed to support services and payable within your support charge				
	15%	8,968	8,686	(283)
Court management service attributed to rent and payable by Housing & Care 21				
	15%	8,968	8,686	(283)

Please note: if there is a significant failure in the provision of any service covered by the charge, we will make alternative arrangements to deliver the service and/or adjust the service charge for the current or following year as appropriate.

If you have any queries regarding your Service Charge Budget you should speak to your Court Manager, Housing Manager or Housing and Care Manager in the first instance. Alternatively, you can contact the Housing 21 Resident Charges Team:

0370 192 4040 Choose option 3

residentchargesteam@housing21.org.uk