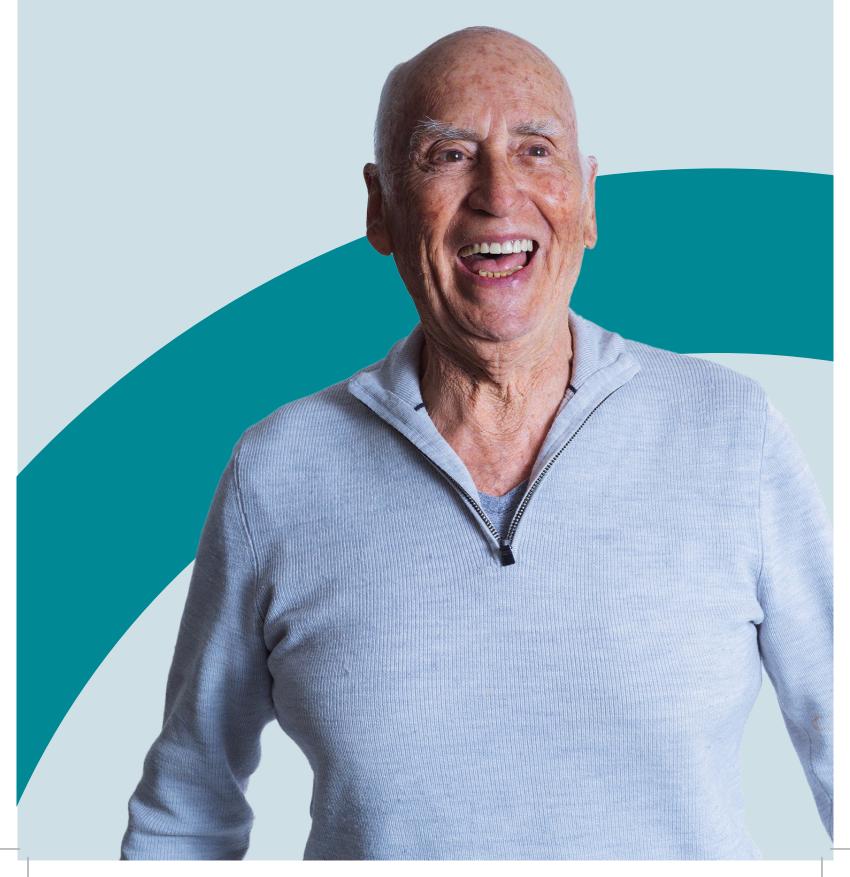
Housing(2)

Guide to understanding your Service Charge Budget 2024/25



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.

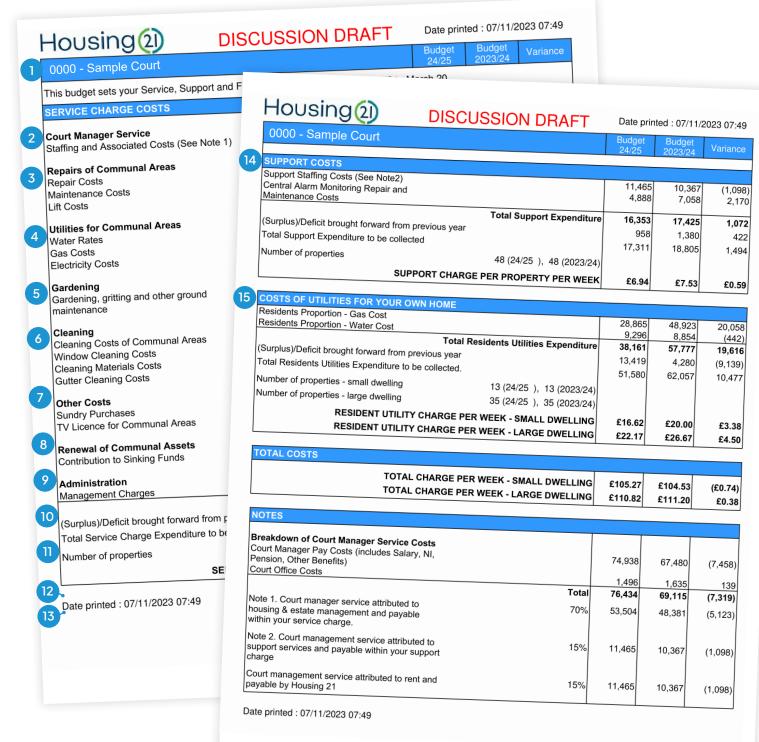
- You can influence the cost of your service charge in various ways, from being mindful of your energy use, to getting involved in decisions around gardening specification and choice of contractors at your court. We also keep a close eye on your court service charge, and work to develop relationships with good local repairs and maintenance contractors to ensure value for money.
- Service charge costs confirms the name of your court and identifies the relevant year for the current and following year's budget.
- Court manager service these are the costs associated with your court manager service.
- 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.
- Utilities (communal area) this covers all bills as listed for communal areas such as the lounge and laundry.
- Gardening this is the cost of the contracted service plus any additional works such as cutting back trees.
- 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.
- 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 elsewhere, for example lock fittings in communal areas.

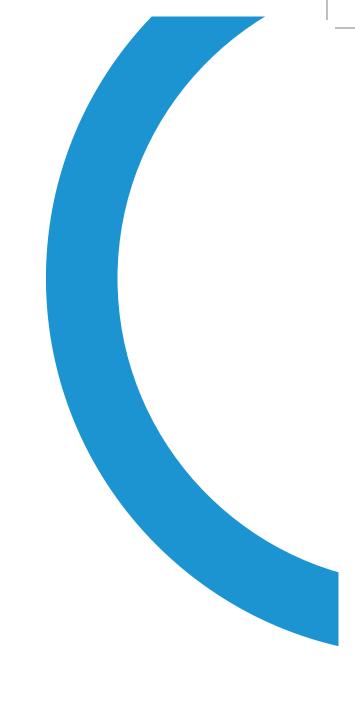
Some courts opt to pay the communal lounge TV Licence via the service charge. The cost of a coin phone box may also be included here.

- 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.
- Penewal 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.
- Administration the fixed management charge covers costs incurred by Housing 21 in managing the services provided on the court.
- Income this shows any income received for the listed items on the court such as income from the use of the guest room.
- (Surplus)/Deficit brought forward from previous year because we operate variable service charges, at the end of March each year we review what expenditure has been spent at your court and compare this to what we have charged you. If the expenditure exceeds the charges then this is a deficit and this is added to your total service charge in the following year. If the charges exceed the expenditure this is a surplus. This is then deducted from your total Service Charge Budget in the following year.

- Total service charge expenditure this shows the total amount budgeted for each year. It will also identify the number of properties and the weekly service charge payable per property per week.
- Support costs this covers the costs incurred for housing related support services on your court. This includes both an element of employee costs and the central alarm monitoring costs. It will identify the total amount to be collected and the cost per property per week. Please note this is separate to the core support charge for which you will be charged separately, if applicable.
- 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.







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

housing21.org.uk