

## What's included in my service charge statement?

Each year we provide certain services to you such as gardening, cleaning, building insurance etc. The cost of these services is paid for by you via your service charge and is detailed in your annual service charge statement. Some costs are split across the estate, others between a block (normally flats) and other costs are specific to your property. Remember that we operate variable service charges and therefore, if something costs more or less than we expected, this will either increase or reduce the following year's charge accordingly. Below is a summary of the charges that could appear in your statement to help you understand what services you are paying for. You'll find your latest service charge statement enclosed with this newsletter.

## Gardening and cleaning

If your home has communal areas such as gardens, hallways or stairwells, we will arrange contracts for regular gardening and cleaning to take place. This will ensure areas are maintained and we talk with the contractors to ensure the work they do is of a good standard. A five-year programme of tree works has now been finalised and this will enable us to give more information on upcoming work on your estate.

## Electricity

If you live in a building where you have lighting in an internal communal area, or your estate has lighting for paths or car parks, you will pay for a share of the electricity charges. Across the country, there have been significant increases in electricity costs over the past few years. We have made every effort to minimise these increases by shopping around and agreeing fixed price contracts. A new contract has now been signed covering the whole of Somer Housing Group which allows us to get substantially lower prices than if we operated separately.

## Building insurance

If you live in a flat, we have a responsibility for insuring the whole building, including your flat. We insure all of our rented properties on the same policy and this enables us to get a better insurance deal. We will only charge you the price we pay ourselves. If you need further information on the policy, we can provide this upon request. Please note that we do not insure the contents of your flat and as such this is not part of what you pay us for.

## Responsive repairs

When we are asked to carry out a repair to a shared or communal area, which could be requested by you, a neighbour or our own surveyors, we carry out the repairs and you contribute to these costs. The types of repairs could be lighting, roofing, guttering, fencing etc.

## Planned repairs and maintenance

We try to carry out planned repairs where possible to ensure areas are maintained and reduce the possibility of future problems. We predict that parts of the estate or parts of a building (e.g. a roof) will last a number of years before they need replacing or substantial works to be carried out. This allows us to budget for the costs and also communicate this to you. In addition we will carry out cyclical maintenance. This is where we do work such as decorating communal areas every five years.

We will always consult with you where the cost to you exceeds £250, however as part of best practice we may consult with you where work costs less than this amount.

## Management charges

We will charge you a management charge to cover our cost of providing these services to you. This includes things such as arranging and reviewing contracts, for example

gardening, cleaning and insurance (including claims); meeting with you or answering questions; finance time in calculating service charges; and our time in dealing with the sale and purchase of your property. The management charge is currently being reviewed. Please see an update over the page for further information. We have budgeted for the charge to remain the same as we do not know the outcome of the review yet, but once we do know, it will be charged on next year's statement.

## Sinking funds

We operate sinking funds where we collect money from you each year to pay for expensive work which needs to be carried out in the future such as major roof repairs.

This allows you to pay a manageable sum each year towards the costs, rather than having to find a large sum of money at relatively short notice. Sinking funds are linked to the property and therefore there is a contribution made by all previous owners as well as yourself. As we hold the funds on your behalf we invest the money and the interest received, after tax, is applied to your fund.

Once the Homeowners' Group has completed the review of the management charge, we will move on to review the basis for contributions made by you each year.

## Ground rent

We will write to you each year regarding any ground rent due. Legally we have to do this, even if you have already paid.

## And finally...

Along with all the other ways you can pay us we now offer the Direct Debit facility. If you wish to pay by this method you'll find a Direct Debit mandate enclosed with this pack which you can complete and return to us.

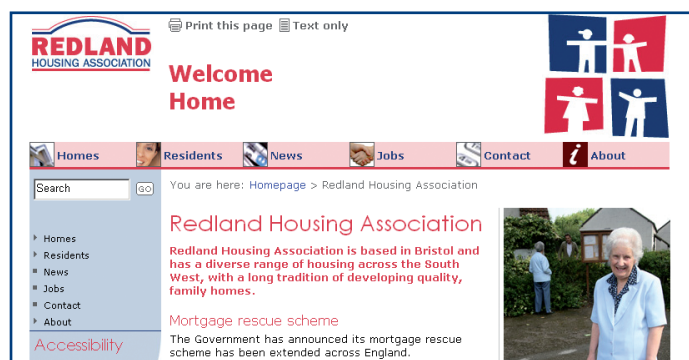
# Homeowners' Newsletter

## Service charge account feedback

Last year we asked homeowners for feedback on the service charge accounts and if they were clear and understandable. We received a good response to the survey and 86.9% of you thought that they were easy to understand. This is just below the target set of 90.0%, so we will be looking at ways this year to improve on this. If you have any comments or suggestions, please contact Lynn Ryall on 0117 9194229.

## Information online

Redland's website can be found at [www.redlandha.co.uk](http://www.redlandha.co.uk). This is a useful resource for owners to find out more about Redland as a landlord, and the standards of service you can expect from us.



## Homeowners' Focus Group update

One of the group's priorities this year is to participate in reviewing the way that owners' management charge is calculated. In September 2008, a sub-group of owners was formed to work with the Leasehold Services Team to collect data as part of the review. The review is expected to be completed in the summer and we will liaise with all freeholders and leaseholders to share the outcomes. If you would like to find out more about the review, please contact Lynn Ryall on 0117 9194229.

The focus group has also set service standards for the leasehold management service and these are now being measured and reported on a quarterly basis on the Redland website. Here are the standards and targets for this year. The service standards will be reviewed by the focus group on a yearly basis.

Redland will:

### 1. Respond to Right to Buy and Right to Acquire applications within statutory timescales.

Target: 100%. Monitored by audit of 100% sample of applications at year end.

### 2. Respond to solicitors and other enquiries about resales within 10 working days of receipt.

Target: 95%. Monitored by 100% sample of incoming post.

### 3. Provide annual service charge accounts and accompanying information in a way which owners find clear and understandable.

Target: 90%. Monitored by telephone (or other) sample survey by focus group.

### 4. Recover service charges promptly, using payment methods which owners find easy to use.

Targets:

a) Service charge arrears – 5% annual debit outstanding at year end.

b) Payment methods – 90%. Monitored by telephone (or other) sample survey by focus group.

## Our performance

No.	Oct - Dec 08	Jan - Mar 09
1	No applications received	No applications received
2	100%	100%
3	87%	87%
4a	Recorded at year end	24%*
4b	87% (measured in survey Aug 08)	87% (measured in survey Aug 08)

\* Service charge collection for the year has improved with a collection rate of just over 100% on the year's debit of £73,000. We will continue to work with homeowners to recover service charges to achieve the target set.

## Are you eligible for a tax refund on your sinking fund?

You'll notice on your service charge statement that every year we add interest onto the money you have in your sinking fund. We now have to charge tax on this interest at a rate of 20%. Depending on your status, you may be eligible to claim all or part of this tax back from HM Revenue & Customs. To check if you are eligible and apply for a refund, call the helpline on 08708 031062.

## Contact details

Redland Housing Association,  
Holly House,  
Corbet Close,  
Lawrence Weston,  
Bristol, BS11 0TA.

**General enquiries:** 0117 919 4229

**Communal area repairs:**

Office hours - 0117 938 2700 (option one)

Out of hours - 01249 444 005

**Email:** [housing.admin@redlandha.co.uk](mailto:housing.admin@redlandha.co.uk)