

## Variable Service Charge – how you are charged

A service charge is a payment calculated based on the lease or tenancy agreement, either shared evenly, by floor area, number of bedrooms, or on the rateable value.

Costs	
<b>Our costs</b>	You are charged for the costs that we have had to pay to deliver services to you. We cannot charge you for anything that we have not had to pay for.
<b>Managing Agent costs</b>	<p>A managing agent is an external management company that is appointed, by the freeholder, to manage a block or estate. This would include services such as cleaning and maintenance.</p> <p>They tell us the costs they have incurred and we then collect these from you and pass them onto the management agent. On some estates we are the managing agent for another landlord who is the freeholder.</p>
How are costs charged?	
<b>Apportionment</b>	This is the process of how the total cost of the services provided gets shared between the individual properties in a building or on an estate.
<b>Tenancy / lease</b>	<p>Your tenancy or lease is your legal agreement with us and sets out what and how you are charged for the shared services you receive.</p> <p>One Housing has a number of different ways of charging due to stock transfers and you should always check your lease or contact us for a detailed explanation.</p>
<b>How am I charged</b>	Tenants are charged with their rent, which is usually weekly, homeowner will be charge annually. Homeowners are expected to pay by direct debit.
What you will receive from us	
<b>Estimates</b>	The estimated costs of maintaining your estate for the next 12 months
<b>Actuals</b>	The actual costs of maintaining your estate for the last 12 months
<b>Statement end of year account booklet</b>	Sent within six months of the year end, showing how much has been spent on the services provided compared to how much the budget was set for.
<b>Consultation letter / estimate</b>	Sent with the proposed service charge for the coming year (estimates), you will have 28 days to comment or raise any queries on these charges.
<b>Accounts</b>	You have the right to inspect the accounts, this includes copies of invoices, utility schedules and documents to support the service charge.
<b>Section 20 notice</b>	<p>Under section 20 (S20) of the Landlord and Tenant Act 1985 (as amended) we must consult you about some of the work and services that you pay for if:</p> <ul style="list-style-type: none"> <li>• The work will cost any one service charge payer more than £250</li> <li>• We enter into an agreement for more than 12 months with a contractor for work, supplies or services that will cost any one service charge payer more than £100 a year.</li> </ul> <p>Leaseholders will receive three separate notices under the S20 process at the following stages:</p> <ul style="list-style-type: none"> <li>• Pre-tender – before we invite tenders (notice of intention)</li> <li>• Tender stage – after we have received the tenders (notice of estimates)</li> <li>• Award of contract – when we have awarded the contract</li> </ul> <p>You may have the right to nominate a contractor at the pre-tender stage</p>