

Service Charges Policy

1.0 Policy Summary

Stonewater's key objectives in service delivery are:

- To provide excellent services that represent value for money to customers;
- To ensure that services are delivered in a way that is appropriate for customers.

This policy sets out our approach to services delivered to, and paid for by customers' through a fixed or variable service charge. It applies to all tenancies and leases of properties owned and directly managed by Stonewater where the occupancy agreement specifies a requirement for payment of a fixed or variable service charge.

This includes general family and sheltered rented accommodation; supported housing, shared ownership and other leasehold/ freehold homes. Commercial properties are not covered by this policy.

2.0 Policy Objectives

The key objectives of this policy are:

- To ensure that the services we provide are, required, wanted, affordable and provide value for money to customers;
- Subject to the requirements of individual occupancy agreements, to adopt a consistent approach to the calculation, apportionment and recovery of service costs from all homes and customers within the scope of this policy;
- To minimise year-on-year fluctuations in the level of service charges;
- To ensure that service costs and charges meet necessary legal requirements;
- To offer a wide range of alternative methods of payment so that the collection of service charges is flexible, economical and effective for both customers and Stonewater;

- To work in partnership with customers in determining what services are provided, the standards they are provided to, and where possible how they are provided;
- To regularly assess the quality, effectiveness and cost of the services provided. To keep customers informed about our performance against the agreed standards;
- To ensure that service charges meet all reasonable costs incurred in the provision of services.

3.0 Policy Details

3.1 Newly built and acquired properties.

Stonewater will only acquire or build new homes where any services that are provided and charged for are within the scope of the objectives of this policy.

In acquiring and constructing homes Stonewater's specification and design requirements will place emphasis on 'designing out' unnecessary chargeable services. Where chargeable services are necessary to provide sustainable homes there will be a focus on providing value for money.

The calculation of the initial service charge and any necessary sinking fund or provision for future maintenance will reflect the actual costs anticipated for the development.

3.2 Calculating and charging service charges.

Service charges will be calculated annually, in line with the terms of the occupancy agreements. Service charges will be based on known scheme or development costs, and where estimates or projections are required these will be based on existing developments of a similar size and service charge profile.

Stonewater will meet legal requirements by providing audited accounts where required; give all residents a break down of the costs incurred in the previous accounting period and the revised service charge budget.

Annual budgets will be set for service charge cost and income and expenditure at least down to the individual scheme or development.

3.3 Procurement of services.

Services paid for by service charges will be procured in compliance with the Procurement Policy.

We will ensure that customers paying service charges are aware of the procurement arrangements for their scheme or development, and the standards to which the contractor or service provider should be working.

We will regularly monitor contractor and service provider performance, and their compliance with agreed specifications.

We will take prompt action where a contractor or service provider fails to perform to the contract standards and specifications. Where we can we will impose financial penalties for non – compliance, unless in the view of Stonewater there are extenuating circumstances to be considered. In instances of repeated and proven under performance we will seek to terminate contracts.

3.4 Customer Involvement

Stonewater is committed to involving residents in the decisions and choices about which services are provided, the way that they are provided and the standards that should be met. Within the framework of the Customer Engagement Policy, we will work to agree both national and local standards. In particular:

- We will involve customers in the setting of standards;
- We will involve residents in the monitoring of service standards, actively collect information from them as to their satisfaction with the services provided, and use the information to improve the quality and value of the services provided in the future;
- We will provide customers with clear, easily understood information about the services being delivered.

3.5 Arrears of service charge

Stonewater will ensure that customers understand the importance of regular service charge payments, and wherever possible work with them to avoid the escalation of debt, in accordance with the Income Management Policy.

4.0 Key Outcomes

Key outcomes of the policy are:

- To maximise the collection of the service charges due from customers;
- To achieve consistently high levels of customer satisfaction with the services provided by Stonewater;
- To ensure that service charge reconciliations and budgets are completed in an accurate and timely manner;
- To ensure that the management of and any variation to services is compliant with all legal and regulatory requirements.

5.0 Equality and Diversity

Stonewater has an Equality and Diversity Policy. The impact of the Service Charge Policy will be reviewed annually to ensure that it is equally accessible to all residents.

Stonewater will have regard to the Vulnerable Residents Policy when consulting customers in relation to the setting and management of service charges.

