



SERVICE CHARGE REVIEW 2024

Your questions answered



**Introduction
from Julie Doyle,
Chief Executive,
Longhurst Group**

As outlined in your lease or transfer with us, we review our rents and service charges at the beginning of each financial year.

After extremely careful consideration, to enable us to keep up with rising costs, we need to increase charges for the year ahead.

This pack contains another letter which details your new charges and explains exactly what this means for you.

We've also provided answers to some questions that you may have and some further information that's relevant to your agreement with us, where applicable.

I understand that this increase isn't welcome news, particularly given other cost-of-living challenges.

However, with our costs rising all the time, increasing our charges is critical to ensuring we're able to maintain and improve our homes and the services we provide.

We're working incredibly hard to continually improve the service we deliver to you and for us to continue this vital work, we need to make this increase to manage ever-rising costs.

I'd like to reassure you that, as a not-for-profit organisation, any surplus money is reinvested to deliver services, maintain our homes (where applicable) and build much-needed affordable housing.

If, after reading through this information pack, you still have questions or concerns, please don't hesitate to get in touch by calling **0800 111 4013**. Our colleagues are ready and waiting to help you.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'J Doyle', with a stylized, cursive script.

Julie Doyle
Chief Executive, Longhurst Group

Service charge review

Why are you increasing my charges?

In the current circumstances, we understand that any increase to your service charges isn't good news. However to enable us to keep up with rising costs, we need to increase service charges for the year ahead. Increasing our charges is essential to making sure that we, can continue to fulfil our responsibilities in accordance with your lease or transfer.

How is the increase calculated?

In accordance with your lease or transfer, you're required to make service charge payments for the costs of services provided to you.

Your service charge is made up of several elements. Each element won't increase at the same rate because it's based on the actual costs of the service last year and the anticipated increase for the year ahead.

We've provided a guide to service charges, including how we set and manage them, at the end of this booklet.

How is the money I pay for service charges spent?

As a not-for-profit organisation, every penny we receive from you is spent on services you receive. We're committed to using the money we receive in the best possible way and work hard to deliver value for money by spending efficiently.

Do I need to adjust my Direct Debit?

If you pay by Direct Debit, you don't need to do anything; we'll adjust your payments for you. You'll receive a separate letter from allpay in March confirming the change. Please check this letter to ensure your Direct Debit has been adjusted accordingly.

I pay by standing order, do I need to adjust that?

If you pay by standing order, you'll need to contact your bank to arrange to pay the new amount. Our bank details can be found on your review letter that accompanies this booklet. Please ensure you use your master agreement reference number as the payment reference. If you need to check this, please log into My Account or contact us. If you'd like to set up a Direct Debit instead of making payments by standing order, please contact our Homeownership Team on **0800 111 4013**.

How can I track my payments?

You can access a statement by logging into My Account. If you don't have an account, please call Customer Services on **0800 111 4013** to register.

I'm entitled to financial support towards my housing payments, what do I need to do?

If you receive Pension Credit, you'll need to inform the Department for Work and Pensions (DWP) of your new charge. You can do this by calling the Pension Service helpline on **0800 731 0469**. You can also report the changes by post. It's important that you don't report the change before it comes into effect because this may delay your payments.

If you're eligible for Housing Benefit, whether payments are made direct to us or to you, it's your responsibility to contact your local authority directly to inform them of the change. If you need any support with this, please don't hesitate to get in touch.

What if my benefit entitlement doesn't cover the increase?

If your entitlement doesn't cover your payments, you'll need to increase your payments to cover the difference. If you're unable to do this, or think your entitlement is incorrect, please contact our Homeownership Team on **0800 111 4013** as soon as possible to discuss your situation.

What do I do if I can't afford the increase and what can you do to support me?

If you're struggling to pay your service charge, please get in touch with our Homeownership Team at the earliest opportunity. We're here to help and can discuss payment options.

Our Cost-of-Living Support Hub also has a range of hints and tips as well as details of other organisations that may be able to help.



**longhurst-group.org.uk/
cost-of-living**

What if I refuse to pay?

We understand that you might be unhappy with these increases and consider refusing to pay. If you take this decision, it'll result in arrears building up on your account and we'll then have to take action to recover the money that's due. This can affect your credit rating and even put you at risk of losing your home. We want to avoid this unnecessary situation as it may mean you face more debt and possibly legal fees, which would only make your financial circumstances more difficult. If you miss a payment or fall into arrears, you must get in touch with our Homeownership Team as early as possible to discuss any difficulties and what options are available to you. We're here to help you.

Service charge items explained



Call system/Lifeline costs

This charge pays for emergency call monitoring. In most cases, this also includes the cost of a maintenance contract and emergency telephone costs.



CCTV maintenance

This is the cost of maintaining the security camera monitoring systems.



Communal cleaning

This usually covers the costs of cleaning communal areas, floors and windows within a block of flats.



Communal electricity rates

You may have to contribute towards communal electricity charges. These are for items such as communal internal and external lighting. You're normally responsible for all utility supplies that directly serve your property and any charges from external suppliers intended for your own personal domestic use.



Communal grounds maintenance

This covers the costs of the maintenance of communal areas that aren't maintained by the local authority.



Communal TV aerial maintenance

The cost of maintaining a communal TV aerial system.



Communal water rates

You may have to contribute towards communal water charges. These are for services such as a water supply to communal gardens. You're normally responsible for all utility supplies that directly serve your property and any charges from external suppliers intended for your own personal domestic use.



Door entry costs

These cover the servicing and maintenance of any communal door entry systems.

**Fire alarms and emergency lighting**

This includes the cost of servicing fire appliances, emergency lighting, servicing and maintenance of communal alarm systems and communal smoke alarms.

**General repairs and maintenance**

This is the cost for repairing the communal areas we're responsible for, in accordance with the lease.

**Ground rent**

Some leases allow for a nominal ground rent. If applicable, this cost will be detailed on your review letter.

**Heating system contract**

This covers the servicing of the unvented cylinders within the communal area. In most cases, this includes the cost of one- or three-star gas servicing.

**Legionella testing and remedials**

This cost is for a monthly check and a bi-annual Risk Assessment. This is a legal requirement and work is conducted by an approved contractor.



Lift servicing and maintenance

This covers the cost of maintaining a lift, including specific lift insurance.



Management fee

In accordance with your lease or transfer, you're required to pay a fee to us for items such as managing and implementing service charges, setting up contracts, where required, managing rent and service charge accounts, administration costs and the costs incurred in providing a dedicated Homeownership Team.



PAT Testing

This covers the cost of annual checks of electrical items in communal areas.



Property/building insurance

This covers the structure of your property against insurable risks. Please note, you're required to source your own contents insurance to protect your own belongings. To access a copy of the insurance certificate, please visit our website.



longhurst-group.org.uk/leaseholderinfo



Refuse disposal

This covers the costs of waste disposal which the local council isn't responsible for. This includes fly-tipping, or any personal items left in communal areas that pose a fire risk and need to be disposed of. This also includes the cost of any bin cleaning services, where applicable.



Scheme staff costs

These costs cover the gross employment of the Scheme Manager, where applicable.



Sinking funds, reserve funds and planned/cyclical funds

If your lease or transfer permits the collection of the above, we'll collect a contribution based on the estimated expenditure of replacing, repairing, or renewing large communal items that we're responsible for. This can include a new roof or replacement doors. The contributions are held in trust in a separate account until required.



Telephone costs

This cost covers the office telephone and broadband.