

## Rent and Service Charges

### Your rent

The rent we charge is intended to reflect the value you get from the use and occupation of your home. All the rents collected by the Association are used to cover such things as:

- management and repair costs;
- sinking fund provision for major works in the future;
- loss of income on empty properties;
- interest charges on money borrowed in the past;
- a contribution towards the cost of new schemes built by the Association.

Since 1988, the Government has required all housing associations to look at their rents carefully, mainly because less government subsidy is available and associations have to rely more heavily on their own sources of income to meet costs. The Government also expects associations to keep their rents within the reach of people who are in low-paid employment.

### How your rent is calculated

The method of calculating your rent will depend on whether you have a Secure Tenancy (i.e. a tenancy which began before 15th January 1989) or an Assured Tenancy with the Association. Since January 1989 most housing association tenancies are Assured.

If you are a Secure tenant, your rent will continue to be set by the independent Rent Officer service under the Rent Act 1977 which will be based on the assured equivalent of a similar property with the same characteristics. If the rent office service determines a higher rent than the assured equivalent, the association will apply the assured equivalent rent for your property. These rents are reviewed every two years, taking account of the general level of rents in the area as well as the age, character and location of the property.

If you are an Assured tenant, your rent will be assessed once a year with any increase taking effect from October of that year. The rent is calculated by awarding points to a series of property characteristics which apply to your home. The appropriate points value is totalled up to give a basic rent for the property.

The full list of property characteristics and points values can be obtained from your area office.

**Please note:** A service charge is added to the basic rent for both Assured and Secure tenancies. This is covered in the section under 'Service Charges'.

### Appeal rights

If you are an Assured tenant you have a right to appeal against the rent assessed for your property. For example, if you disagree with the figure, or you feel the rent is unreasonable,

you will initially be able to raise queries with your local Housing Officer.

Your Housing Officer will provide you with a full breakdown of how the rent has been calculated, including the points awarded for each property characteristic.

If you are still dissatisfied with the rent assessed, you have a legal right of appeal to a Rent Assessment Committee ( set up by the Government). These committees fix a rent based on reasonable market rents.

If you are a Secure tenant, you will have a similar right of appeal to a Rent Assessment Committee.

## **Service charges**

### **What is a service charge?**

In many cases it is likely that in addition to the basic rent a charge for services will be payable. This charge will be added to the basic rent which will form the total amount of rent payable and will account for any services provided by the Association including services such as gardening, caretaking, lighting, window cleaning etc. In all cases these charges will only apply where the service is received. Details of any services provided to you by the Association will be set out in a schedule and attached to your tenancy agreement at the time of signing.

Service charges for both secure and assured tenants will be based on the costs which arose during the financial year prior to the service charge review date. In instances where there has been no service charge history i.e. in the first year of a new development; costs will be estimated and amended accordingly on the 12 month review date.

In instances where a service charge overpayment has been made, the amount overpaid will be credited to the service charge account accordingly. Where there has been an underpayment, the amount underpaid will be added to the service charge payable for the following year.

### **Changes to your service charges**

The Association may change the service charge at any time upon written notification to those tenants concerned. When it is necessary to change the service charge, all applicable tenants will be consulted at least one month in advance to the change. In all cases the Association will not change the amount payable more than once in any period of 26 weeks.

In cases where the Association believes that a service is no longer required or where it becomes impossible to provide a service, that service will stop and the applicable amount deducted from the tenants service charge accordingly. The Association may also decide to provide extra services where it is believed it is necessary to do so.

Where a change has been made, access to any extra service charge information will be available from the Association, as long as it is requested within six months after notice of the service charge change being made.

## Monitoring

The Association regularly monitors rents and service charges to ensure they are comparable to other rents in the area, and are also affordable to households on low incomes.

Under performance standards set by the National Housing Federation the Association is required to publish comparable rents in the area it has housing stock. Therefore on a yearly basis the association will provide you with copies of its rents compared with other housing associations for the area in which you live.

## How can I find out more?

You can request further guidance from our Customer Services Manager who can be contacted at the following address.

Customer Services Manager  
Western Challenge Housing Association Ltd  
Spinnaker House, Grange Road, Christchurch, Dorset, BH23 4GE

Tel: **Freephone: 0800 7837837**

Email: [callcentre@westernchallenge.co.uk](mailto:callcentre@westernchallenge.co.uk)

Internet: [www.westernchallenge.co.uk](http://www.westernchallenge.co.uk)

**This leaflet is available in other languages, Braille or large print on request.**

