



# Understanding your Variable Service Charge

December 2020

# About your service charge

## Variable Service Charge

You have a variable service charge - this means the amount you pay changes every year, depending on how much your services cost.

This is why we send you a final account statement. It shows how the actual cost of providing your services from **1 April 2019 to 31 March 2020** compared with the estimated cost we sent you in February 2019.

## How do you work out my service charge?

We use a variable system to work out your service charge because this is a term of your tenancy agreement. This means that every year we estimate the cost of each communal service and charge you for your share of that estimate.

We work out your estimate by analysing past costs for your services and taking both inflation and the contractors' costs into account.

We look at how much we actually spent in April (the following year) and send you a statement with the difference in September.

## CORONAVIRUS

The service charge calculations for 2019-2020 are not affected by the current coronavirus situation as the expenses were prior to March 2020.

# Your rights and obligations

## Do I have to pay the service charge?

Yes - it's a condition of your tenancy agreement which you signed when your tenancy began.

## What legal rights do I have to challenge the service charge?

You can challenge the reasonableness of a service charge or its standard at the First-tier Tribunal. Please refer to the 'Summary of your rights and obligations' for more information.

[We recommend that you get independent legal advice before doing this.](#)

## I'm unhappy with my current service - what can I do?

Your statement is for the period **1 April 2019 to 31 March 2020**. It is not a statement for the services you are currently receiving.

If you have a question or complaint about your current service, please report this to us by emailing [enquires@pahousing.co.uk](mailto:enquires@pahousing.co.uk), phoning us on **0300 123 2221** or logging in to My PA.



## I overpaid on my service charge - why haven't I received a refund?

If your statement shows a surplus the accompanying letter will advise if the balance is to be refunded, carried forward or applied to your charge for next year as an overpayment adjustment.

We are not able to give you a refund because it is a condition of your tenancy agreement which refers to the difference between any estimate and the actual cost being carried forward.

If you claim housing benefit, your entitlement will be re-assessed next year to take this adjustment into account.

## I underpaid - do I need to pay the amount I owe?

If your statement shows a deficit, unless your accompanying letter says you need to make a payment you don't have to do anything.

The balance is to be carried forward or applied to your charge for next year as an overpayment adjustment which allows the amount to be spread over the year.

If you claim housing benefit, your entitlement will be re-assessed next year to take this adjustment into account.

## Does housing benefit cover my service charge?

Usually - housing benefit covers service charges in most cases. Please note that housing benefit does not cover the cost of services you use in your own home (e.g. heating and electricity).

If you are in any doubt, please contact your local housing benefit office for advice.

## Why are the actual costs more than the estimates?

Your service charge changes every year depending on the actual cost of providing your service. Here are some examples of why your service charge may have gone up:

- Electricity charges change depending on the usage and accuracy of readings
- The level of service may have increased based on requests by other residents
- Your share of the costs may have changed following a review
- The cost of repairs to your shared areas may be higher than the year before

For more information, please contact [enquires@pahousing.co.uk](mailto:enquires@pahousing.co.uk), phone us on **0300 123 2221** or log in to My PA.

## Why do I pay a service charge when I live in a house?

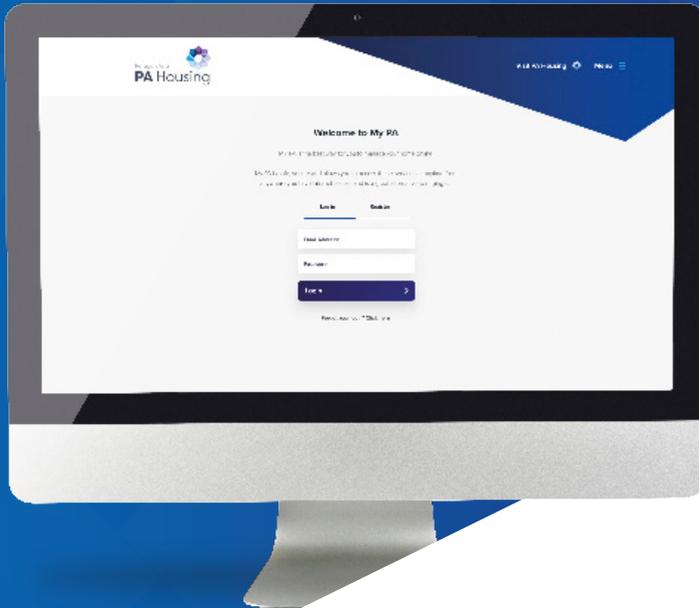
Your tenancy agreement says that you still need to contribute to the upkeep of nearby public open spaces like parks, gardens and playgrounds. If we look after these areas instead of the council, you will receive a service charge statement from us.

## Your service charge statement explained

Your statement shows how much each of your services cost from **1 April 2019** to **31 March 2020**. Please refer to the guide in your pack 'Understanding your statement 2020' and download the Service charge Descriptions document for information about each listed cost in your statement so you can find out exactly what you're paying for.

# Sign up for a **My PA** account

Visit [www.pahousing.co.uk](http://www.pahousing.co.uk) to find out how to access your My PA account, where you can manage your home online and access a variety of our services 24/7.



## Contact us:



PA Housing  
3 Bede Island Road  
Leicester  
LE2 7EA

## Your needs

If you would like to receive this information in large print, or translated over the telephone, please call us.



[enquiries@pahousing.co.uk](mailto:enquiries@pahousing.co.uk)



[www.pahousing.co.uk](http://www.pahousing.co.uk)



0300 123 2221