The Whiteley Homes Trust

Service Charge Policy

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EIA	Yes

Review Tracker

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July 2026	**Director of Operations**	**New Policy**	**RECC & FARC** **Main Board**	**6/8/26** **15/9/26**	**1.0**

Introduction

At The Whiteley Homes Trust, known throughout this policy as the Trust, we're committed to fostering a safe, inclusive, and transparent environment for everyone who lives, works and is associated with us. This policy sets out how the Trust will set, manage and review service charges.

We believe that transparency builds trust, so this document uses language that reflects the many roles and relationships within our community. Whether you are an employee, resident, volunteer, contractor, supplier, or third-party partner, this policy aims to guide and inform you in a way that's accessible, respectful, and representative.

Through clarity and openness, we aim to foster understanding, accountability, and confidence across our workforce and wider community.

Scope of Applicability

This policy applies to all properties let directly by the Trust.

It does not apply to properties within Whiteley Village that are let or sold by third parties.

The Trust is committed to communicating with openness and transparency. By clearly outlining who is covered by our policies, we aim to foster understanding, accountability, and trust within our diverse community.

Definition

A service charge is a payment residents make for the provision of services the Trust provides or to the operating costs and maintenance of communal areas. It is separate from the maintenance charge or rent.

It does not include personal charges including charges for utilities provided to an individual home. These may also be called “non-eligible” charges.

Purpose

The purpose of this policy is to establish a fair, transparent and consistent framework for setting, managing and reviewing service charges. It aims to:

- Ensure residents only pay for services they receive where permitted by their agreement
- Ensure compliance with legal and regulatory requirements
- Provide value for money
- Ensure charges are communicated clearly
- Promote confidence in how service charges are set and managed

1. Policy

The Trust will set, manage, monitor and review service charges in a fair, transparent and legally compliant way. Service charges will only be made where permitted by the resident’s tenancy, licence, lease or occupancy agreement, and will reflect the cost of providing services to the relevant home, building, scheme or communal area.

1.1 Policy Principles

- Service charges will be reasonable, transparent and based on eligible costs that are properly incurred.
- Charges will be clearly explained so that residents understand what they are paying for and how the amount has been calculated.
- Costs will be apportioned fairly between residents, in line with agreements, legislation and the nature of the service provided.
- The Trust will seek value for money when procuring services, while maintaining safe, effective and appropriate standards.
- Residents will be consulted where required by law or where the Trust considers consultation appropriate because a significant service change is proposed.
- Residents will be supported to raise queries or concerns about service charges and will be signposted to the Trust’s complaints process where needed.

1.2 Legal and Regulatory Framework

The Trust will comply with all relevant legislation, regulation and contractual requirements that apply to service charges in England. This includes, where applicable, the Landlord and Tenant Act 1985, the Service Charges (Consultation Requirements) (England) Regulations 2003, the Commonhold and Leasehold Reform Act 2002, the Housing Act 1985, the Housing Act 1996, the Social Housing (Regulation) Act 2023, the Regulator of Social Housing's consumer standards, the Housing Ombudsman Complaint Handling Code and any other relevant statutory or regulatory guidance.

1.3 Setting Service Charges

Service charges will normally be reviewed annually as part of the rent and charges setting process and residents will be given at least one month's notice in writing of any change. The Trust will consider whether services remain appropriate, represent value for money and continue to meet residents' needs.

All our service charges are **fixed**. The Trust estimates the cost of services each year and this is the amount we charge. We do not reconcile accounts at the end of the year, and residents will not receive a refund if actual costs are lower or be charged extra if actual costs are higher.

Fixed service charges provide residents with certainty about the amount payable throughout the year. The Trust accepts the financial risk where actual costs exceed estimates and retains the benefit where actual costs are lower.

The Trust will prepare budgets using the best information available, including known contract costs, historic spend, anticipated inflation, planned works, utilities, employee costs, maintenance and other relevant service costs. Services will normally be procured in accordance with the trust's Procurement Policy.

The Trust recognises residents may be vulnerable and will consider affordability and welfare benefit implications when setting service charges. We will offer support and signpost to appropriate agencies if charges change significantly.

The Trust will not use service charges to generate profit.

Examples of services that may be recovered through a service charge include:

- Communal cleaning and window cleaning
- Grounds maintenance
- Communal lighting and heating
- Servicing and maintenance of lifts
- Fire safety and other health and safety systems
- Door entry systems
- Emergency alarm systems / telecare service
- Maintenance of shared facilities including community buildings
- Refuse services
- Management costs

This is not an exhaustive list and other services will be identified in the resident's agreement or

variations issued from time to time.

Residents will be given a breakdown of the services included in their service charges and an explanation of how the cost has been calculated.

1.4 Apportionment
Unless a resident's agreement states differently or the nature of the service requires a different method, estate wide services will be apportioned equally by the total number of almshouses including Huntley House where applicable.

Specific services for a block or group of properties will be apportioned equally by the number of properties in the block. This will not be adjusted if a resident does not wish to use or receive the service provided.

1.5 Eligible and Non-Eligible Service Charges
The Trust will clearly identify which service charges we consider eligible and not eligible for the housing element of welfare benefits so residents can claim the appropriate amount of welfare benefits. However, entitlement will depend on benefit rules and a resident's individual circumstances.

Non eligible charges include personal electricity, personal heating and water charges.

1.6 Charging Approach by Property Type
The services charged for and the amount payable will vary depending on the type of property.

- **Social Rent Properties –** the full cost of providing the services
- **Affordable Rent Properties -** the full cost of providing the services but this may be capped so the gross charge (maintenance charge or rent plus eligible service charges) does not go above the agreed formula for affordable rented properties.
- **Intermediate Market Rent Properties** – the full cost of providing the services
- **Market Rent Properties –** no separate service charges as the rent includes all charges

2. Consultation and Communication

The Trust will provide clear information to residents about service charges, including what services are covered, how charges have been calculated, when changes will take effect and who residents can contact with questions. Communication will be timely, accessible and proportionate to the nature of the change.

Where statutory consultation is required, including consultation under Section 20 of the Landlord and Tenant Act 1985 for qualifying works or qualifying long-term agreements, the Trust will follow the relevant consultation process before recovering costs from affected residents, unless a statutory exemption or tribunal dispensation applies.

The Trust will consider resident feedback when planning services, reviewing specifications, procuring contracts and assessing whether services remain effective, affordable and value for money.

3. Roles and Responsibilities

The Trust will seek to balance quality, safety, affordability and long-term sustainability when procuring and managing services funded through service charges. Key roles and responsibilities include:

- The **Board** has overall responsibility for ensuring that the Trust has appropriate governance arrangements for rent and service charge setting
- The **Finance, Audit and Risk Committee** (FARC) will provide scrutiny of financial controls, budgeting, accounting and value for money in relation to service charges
- The **Resident Experience and Community Committee** (RECC) will provide oversight of resident communication, consultation and learning from complaints or feedback
- The **Director of Finance, IT & People** is responsible for financial oversight, budget setting, accounting arrangements, financial reporting and ensuring charges are supported by appropriate records
- The **Director of Operations** is responsible for ensuring that services funded by service charges are delivered effectively, that residents receive clear information, and that operational teams support queries and resident engagement
- The **Head of Property & Compliance** and **Head of Estates & Facilities** are responsible for ensuring that relevant property, communal area, compliance and maintenance services are specified, procured, delivered and monitored in line with legal, safety and contractual requirements
- **Heads of Departments, Managers** and **employees** involved in service delivery are responsible for maintaining accurate records, monitoring service standards, escalating concerns and supporting residents to understand the services they receive

4. Queries, Challenges and Complaints

Residents may ask the Trust for an explanation of their service charge, including the services included, the method of calculation and the basis for any increase. The Trust will respond clearly and within a reasonable timescale.

Where a resident remains dissatisfied, they may use the Trust's complaints process. The Trust will handle complaints in line with its Complaints Policy and the Housing Ombudsman Complaint Handling Code. Where residents have statutory rights to challenge a service charge through a tribunal or other route, the Trust will not prevent them from exercising those rights.

5. Monitoring, Records and Assurance

The Trust will maintain appropriate records to support service charge decisions, including budgets, invoices, contracts, apportionment methods, consultation records and resident communications. Service charge performance, complaints, resident feedback and financial outcomes will be reviewed to identify learning and improvement. Records will be retained in line with the Trust's retention policy and will be made available where residents have the legal right to inspect or request information.

This policy will be reviewed every three years, or sooner if there are significant changes in legislation, regulation, case law, organisational structure or service delivery arrangements.

6. Equality, Diversity and Accessibility

The Trust will apply this policy fairly and consistently. Information about service charges will be provided in clear language and reasonable adjustments will be made where required to support residents to understand information, participate in consultation and raise queries or complaints.