What is a Service Charge Certificate?

Every accounting year (April to March), the London Borough of Hounslow asks you to make monthly contributions towards the estimated costs for managing, repairing and providing services to the building that includes your flat. If your block is part of an estate, the estimate will also include estate costs. If your flat is connected to a district heating system it will have heating/hot water costs.

After the accounting year ends, we work out what we actually spent on works and services for each block, estate and heating system and send you a statement of your contribution. We call this a Service Charge Certificate. You will normally receive this about six months after the end of the accounting year.

Your certificate is approved by the assistant director of strategic finance at the council as a fair summary of costs. We also include a statement with your Service Charge Certificate showing the balance on your annual service charge account.

Note: The Certificate and statement do not include recharges for major works, such as environmental improvements, redecoration or a new roof or windows. Charges for these large items of expenditure are invoiced separately from annual maintenance costs.

Further advice

General advice on leasehold matters can be obtained from:

The Leasehold Advisory Service (LEASE)

2nd Floor, 31 Worship Street, London EC2A 2DX
Website: www.lease-advice.org
Phone: 020 7237 5380

Hardship

If you go into debt without informing us of any problems, or if you fail to keep agreements for the payment of charges, we may take areas recovery action against you that could ultimately place your home at risk.

If you are having difficulty paying any of the charges, please contact:

The Debtor Team
leaseholdincome@hounslow.gov.uk
020 8583 3949

Continuous improvement

We welcome your feedback on how we can improve our service. Please contact us with your comments, questions or suggestions at leaseholdimprovements@hounslow.gov.uk

Further information

If you want a further explanation or more information about your certificate or anything sent with it please contact:

The Debtor Team, London Borough of Hounslow, Civic Centre, Lampton Road, Hounslow TW3 4DN
leaseholdincome@hounslow.gov.uk
Customer Service Centre: 0800 085 6575

Challenges to charges

If you think we have charged you for works or services that were not carried out at your block or estate, please let us know, preferably in writing and giving as much detail as possible. We will investigate and let you know our decision. If we agree that there is a charging error we will adjust your account and the accounts of anyone else affected by the error.

Dispute resolution

If we cannot agree on the charges, you can follow our complaints’ procedure, take advantage of the Arbitration Service, or take the matter to a First-tier Tribunal.

They can decide a variety of issues around service charges, including liability for charges, whether costs for works and services are or will be reasonably incurred, whether the charges for works and services are reasonable and, in circumstances where the law requires us to consult leaseholders, whether statutory consultation has been properly carried out.

Note: The Certificate and statement do not include recharges for major works, such as environmental improvements, redecoration or a new roof or windows. Charges for these large items of expenditure are invoiced separately from annual maintenance costs.
1. Charges that may apply to your block

Relevant contributions for your building or estate are shown on your certificate.

Block repairs: day-to-day repairs to the external or common parts of your building.

Caretaking services: charges include costs associated with:
- Inspecting your building/estate and reporting defects
- Cleaning and litter removal, some graffiti removal
- Removing bulky refuse
- Transport, cost of materials, uniforms
- Supervising and monitoring the service

Communal electricity: lighting communal and external areas. Power for:
- Door entry systems
- Lifts and heating
- Aerial boosters
- Water boosters

Communal TV aerial: running costs for a communal TV aerial. Charges apply whether or not you choose to use it.

Concierge: charge for providing the concierge service to your block or estate, including the costs of the concierge office.

District heating: charge for providing heating/hot water through the communal heating system, including fuel, repairs and maintenance. Every property connected to the system has heating points allocated to it. Your charge is a proportion of the total number of heating points. Your points are the number of bedrooms in your property, plus three for a flat or four for a house.

Door entry system: charge for maintaining the system and for a twice-yearly inspection under a planned maintenance contract.

Dry riser: this is part of the fire-fighting system in high-rise blocks, the charge includes any repairs and a twice yearly inspection under a planned maintenance contract.

Lift maintenance: charge for repairing and maintaining lift(s) in your building, including monthly inspections under a planned maintenance contract.

Ventilation: charge for maintaining extractor fans to ventilate internal bathrooms under the planned maintenance contract.

Water booster: pumps water to the top of high buildings, charges are for inspections and works under the planned maintenance contract.

What do the 4 columns in the certificate show?
1. Description – the various services we charge for. They do not all apply to everyone
2. Actual Cost – your contribution to the actual cost of each service for the financial year
3. Original Estimate – the estimated charge applied to your property for that financial year
4. Difference – the difference between the estimated charge and the actual cost, for each service we provide and for the total of all the services. This may result in a credit, shown by a minus (-) sign, or an additional charge to you, shown by a plus (+) sign.

Service Charge Certificate - Sample Copy
1 April 2013 to 31 March 2014

What are the columns in the certificate showing?

1. Charges that may apply to your estate

Estate repairs: charge for maintenance of the external areas of your estate, including estate lighting, boundary walls, paths and playground equipment, and for removal of abandoned vehicles.

Grounds maintenance: charge for works to grass, planted areas and trees around your block/estate, including mowing, pruning and re-planting, plus some weed control on hard surfaces such as paths and playgrounds. Most work is carried out under a grounds maintenance contract, but sometimes it is necessary to order additional work, that is not covered by the contract.

3. Charges for administration and management

Administration and management charge: the charge is a contribution to the cost of managing estates and for providing services to leaseholders and includes:

General housing management:
- Providing a housing management service, including inspections, repairs, dealing with nuisance and anti-social behaviour, responding to enquiries.

Leasehold services:
- Meeting with residents
- Maintaining records of leaseholders
- Identifying rechargeable costs, and calculating leaseholders’ estimated and actual recharges for each financial year
- Billing service charges, insurance and ground rent
- Collecting charges from leaseholders and accounting for payments received
- Arranging building insurance, making claims and supporting leaseholders in their own block policy claims
- Providing newsletters and handbooks
- Dealing with queries

NB. A separate administration and management charge is applied to major works.

District heating administration: a contribution to the staffing costs and overheads for heating engineers and leaseholder services staff.

4. Manual adjustments

This section no longer applies as we do not make manual adjustments.

5. Difference applied to your service charge account

The net difference between the estimated charge and the actual charge for the year. The balance this produces on your service charge account will depend on the payments you have made.