Organisational Policy

Service Charge Policy

Our Commitment
Argyll Community Housing Association is committed to provide equal opportunities across all services and to avoid discrimination. This policy is intended to assist ACHA to put this commitment into practice. Compliance with this policy should also ensure that employees do not commit unlawful acts of discrimination.

This policy can be made available in other formats, for example in large print, audio-format or Braille: the document may also be available in other languages, in full or summary form, as appropriate.

Section 1 – Context

1.1 This policy outlines the criteria that ACHA will use in setting service charges for its housing stock. A service charge is an enhanced housing management service to tenants, private owners and customers which will result in an additional charge over and above the weekly rental charge for the property (or over and above the management charge for private owners).

1.2 In setting service charges, we aim to ensure that we set and maintain service charge income at a level that covers the cost of providing these additional services to ACHA, whilst taking account of affordability to current and future tenants.

1.3 In setting service charges, ACHA will ensure every tenant, private owner and customer is treated fairly and with respect and receives fair access to housing and housing services

1.4 ACHA has a separate policy in relation to setting rental charges. This can be found at https://www.acha.co.uk/news-policies/

1.5 ACHA has a separate policy in relation to managing rent arrears. This can be found at https://www.acha.co.uk/news-policies/

Section 2 – The law and good practice

2.1 The sections of Scottish Social Housing Charter most relevant to this policy are:

1: Equalities

Social landlords perform all aspects of their housing services so that:

Every tenant and other customer have their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.

13: Value for money

Social landlords manage all aspects of their businesses so that tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

14 and 15: Rents and service charges

Social landlords set rents and service charges in consultation with their tenants and other customers so that a balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and other customers can afford them tenants get clear information on how rent and other money is spent, including any details of any individual items of expenditure above thresholds agreed between landlords and tenants.

Section 3 – Our policy objectives

This Policy will achieve the following aims.

3.1 Viability: ACHA will consider its short, medium and long term financial viability and the costs associated with its business plan in setting service charges.

3.2 Service & Performance: ACHA will consider service charge levels in relation to the actual cost of delivering such services, the impact these have on its ability to deliver services and the performance of these services. This will be considered as part of the budget process, business planning and rent setting.

3.3 Housing Quality: The standard, quality and condition of the housing stock, including communal areas and estates, and the related maintenance and additional services requirements will be considered as part of setting any service charges. This will be considered as part of the budget process, business planning and rent setting.

Section 4 – Implementing our policy objectives

4.1 The service charge structure will achieve the following objectives.

Coherence and Consistency: the service charge structure will be perceived to be fair and will reflect the recharge of the actual cost of providing any additional services.

Transparency: the calculation of service charges will be easy for staff, tenants and private owners to understand. ACHA will inform tenants, private owners and other customers of the following in relation to service charges:

- What any charge covers
- Whether the charge is compulsory or not
- How we calculate the charge
- Whether the charge is eligible for housing benefit
- The frequency and standard of service provided (where applicable)

Practicality: the service charge methodology and structure will be straightforward to operate.

Durability: the service charge structure will not require to be changed frequently.

4.2 Financial viability

The costs to be covered by service charge income will be linked directly to the cost of providing these additional services. This will make the provision of these services cost neutral to ACHA.

4.3 Service charge structure and methodology

ACHA, in simple terms, has a service charge structure based on covering the actual cost of ACHA delivering this additional service. Actual costs will be reviewed annually and compared to the service charge being levied for that specific service. Any changes in cost, either temporary or permanent, will be picked up and adjusted for in the next annual service charge notification.

4.4 Service Charge Reviews

Service charges will be reviewed annually, with any changes for tenants taking effect from the first Monday in April (being aligned to the rent charge review and changes). Any changes to private owners will take effect from the 1st of April. All tenants, private owners or customers will be notified of the outcome of the annual review of their service charges, with at least 30 days advance notice being given prior to the change taking effect from the beginning of April.

4.5 Service Charge Payment

Payment of any service charges is combined with the rent charge for tenants and can be paid weekly, fortnightly, four weekly or monthly. Private owners will have their service charge included on their invoice. Tenants will be able to pay their combined rent and service charge via a number of convenient options, including Direct Debit, Faster Payments and Standing Orders, by calling our Customer Service Centre and paying over the phone by debit or credit card and through card payment via our website / customer portal. These same payment options are also available to private owners to pay their invoices.

Section 5 – Performance management

5.1 Any performance management issues will be considered by ACHA as part of the annual review of service charges, and through customer satisfaction and complaints information.

Section 6 - Development and training

6.1 No training or development issues identified.

Section 7 – Our positive action initiatives

7.1 No specific positive action initiatives identified.

Section 8 – Dealing with complaints

8.1 ACHA treats complaints seriously and any complaints will be managed through its complaints handling procedures. This can be found on our website https://www.acha.co.uk/resources/1617280089_ACHA-Complaints-Handling-Procedure.pdf

Section 9 – Consultation and review procedures

9.1 This policy will be reviewed on a 5 yearly cycle and will be subject to consultation with the ACHA senior management team, relevant consultation groups (e.g. Feedb@ck Forum) and via the website prior to consideration by the Policy Committee.

Section 10 – Confidentiality and data protection

10.1 ACHA will manage any data received in relation to its service charge policy with appropriate confidentiality and subject to legal requirements relating to data protection and freedom of information.