

# Your Estimated Service Charge

**WELCOME to the estimated service charge edition of Leasehold Focus.**

Please find enclosed your bill for your estimated service charge for **1st April 2016 to 31st March 2017**. You will need to pay the charges in advance as set out in your lease. For most leaseholders the average estimated service charge bill has increased by 1.8%. In September 2017, we will send you a final bill for the actual cost of providing services for 2016/2017.



## New deal for leaseholders

It is clear from your feedback that some of you are concerned about aspects of the service we provide to you as leaseholders, in particular how we communicate with you. So we have started to make a number of changes. We have taken on board your feedback about payment options for major works bills. And we have introduced a new repayment package, including a 10 year repayment option. You can find more detail about this in the table below or on our website, and we will also send out information on the new payment options with your major works bill.

We know we need to do more. We are developing a new service offer for leaseholders which will cover new ways of working on key areas of the service. This will include looking at ways to give you additional information about major works that we plan to do. We are also looking at options for providing new services.

We want to test out our ideas with you. We will be running workshops towards the end of May to look at how we can improve our customer offer to you. Places are limited, so if you would like to be involved please email us at [residentengagement@thh.org.uk](mailto:residentengagement@thh.org.uk). We will update you on the workshops in the next edition.

Susmita Sen, Chief Executive

## Important changes to service charge payments



The Council has changed its bank account and you may need to update your records.

[See back page for details.](#)

## Need to claim on your building insurance?

Contact Ocaso  
Tel 0344 856 2032

All claims must be made within 90 days.  
See our website [www.thh.org.uk](http://www.thh.org.uk) for more information.

**Renting out your residential property?**  
See page 3

## Your quick guide to Major Works Payment Options

Option	Invoice Limit	Resident Leaseholders	Non-Resident Leaseholders	Terms of Payment
<b>1</b> 5% discount	Over £1,000	✓	✓	• You must pay the full amount within <b>90 days</b> from the date of your invoice
<b>2</b> 2 year interest free	Over £1,000	✓	✓	• Up to <b>24 monthly</b> direct debit instalments • Minimum monthly payment <b>£100</b>
<b>3</b> Up to 5 year payment period - partially interest bearing	Over £2,000	✓	✗	• Up to <b>60 monthly</b> direct debit instalments • Minimum monthly payment <b>£100</b> • Interest free: <b>Years 1-2</b> • Interest charged: <b>Years 3-5</b>
<b>4</b> Up to 10 year payment period - partially interest bearing	Over £10,000	✓	✗	• Up to <b>120 monthly</b> direct debit instalments • Minimum monthly payment <b>£100</b> • Interest free: <b>Years 1-2</b> • Interest charged: <b>Years 3-10</b>
<b>5</b> Voluntary charge on property	No invoice limit	✓ Only Leaseholders over 60 or on full benefits	✗	• Subject to Financial Inclusion Officer's approval • Loan arrangement fee applies • Compound interest of 0.5% above the Council borrowing rate (currently (5.34%) will be added to the debt each year
<b>6</b> Statutory Loan	No invoice limit	✓	✓	Terms and Conditions apply. Please call us for more details: Tel 020 7364 5015.

# What does your service charge cover?

Depending on the services you receive your estimated service charge may include some or all of the following

## BLOCK SERVICE

We take the estimated cost of providing a service to your block including management and operational overhead costs.\* This is the total service cost. We apply this cost to all the homes in your block based on the individual GRV of each home.\*\*



### Block repairs

Repairs to the structure, communal areas and services in your building. Examples could include: repairs to the roof, windows, communal water supply, waste pipes, and minor redecorations such as painting and cyclical maintenance to risers.



### Lift

Repairs and maintenance



### Communal TV aerial

Repairs and maintenance



### Communal door entry

Repairs and maintenance



### Communal boiler

Repairs and maintenance

### Your charge

We estimate the cost of each service for 2016-17. You pay a proportion of this cost based on the GRV\*\* of your home.



### Block caretaking service

Cleaning communal areas, stairs and corridors, bin chambers, rubbish chutes and lifts, graffiti removal, changing light bulbs, minor repairs and general management of the block.

### Your charge

We estimate the cost for caretaking in 2016-17 to be £6.5m or £23.93 per hour. We multiply the cost per hour by the number of caretaking hours planned for your block.



### Refuse service (bin hire)

THH hire paladin bins (the large circular or square bins on wheels) from LBTH under a service agreement.

### Your charge

We estimate the cost of hiring paladin bins. You pay a proportion of the cost based on the GRV\*\* of your home.



### Concierge service

Block and estate security, including onsite concierges, mobile patrols and CCTV systems.

### Your charge

We estimate the cost of the service for 2016-17. You pay a proportion of this cost based on the GRV\*\* of your home.



### Communal boiler fuel

Providing and managing the fuel supply for communal heating and/or hot water systems.

### Your communal heating system charge

We estimate how much fuel your system will use and we multiply it by 2016-17 prices.

### Your charge

We divide the communal heating system charge between each home based on boiler points. Boiler points are based on the service provided, and the number and size of rooms in your home.



### Communal electricity

Providing and managing the communal electricity supply for communal lighting, lifts, door entry systems, heating systems and water pumps.

### Your communal electricity charge

We estimate how much electricity your block will use and multiply it by 2016-17 prices.

### Your charge

We divide the communal electricity charge between each home based on the GRV.\*\*

## ESTATE SERVICE

We take the estimated cost of providing a service to your mapsite\*\*\* including management and operational overhead costs.\* This is the total service cost. We apply this cost to all the homes on your mapsite based on the individual GRV\*\* of each home.



### Estate repairs

Communal repairs to the external areas of your mapsite including repairs to paths, railings, fences, bollards, clearing and unblocking drains, repairs to playground equipment and other facilities.

### Your charge

We estimate the cost of this service for 2016-17. You pay a proportion of this cost based on the GRV\*\* of your home.



### Estate caretaking service

Cleaning, sweeping and litter picking, removing graffiti, minor repairs and safety checks to external areas.

### Your charge

We estimate the cost for caretaking in 2016-17 to be £6.5M or £23.93 per hour. We multiply the cost per hour by the number of caretaking hours planned for your mapsite.



### Gardening

Grass cutting, planting and weeding flower beds, tree pruning, emptying dog bins on your mapsite.

### Your charge

We estimate the cost in 2016-17 for your mapsite based on the number of hours planned. You pay a proportion of this cost based on the GRV\*\* of your home.



### Refuse service

Bulk waste and fly-tipping collections from your mapsite. We don't charge you for the collection of normal domestic waste from the paladin bins because you pay for this service through your Council Tax.

### Your mapsite costs

We estimate the cost for this service for 2016-17. You pay a proportion of this cost based on the GRV\*\* of your home.

## CUSTOMER SERVICE



### Leasehold management

Includes service charge accounting and audit, calculating and billing service charges, income collection, dealing with payments and enquiries.

### Your charge

You pay an equal share of this cost. If you are a freeholder with an account you pay a percentage of this cost.



### ASB

Dealing with anti-social behaviour.



### Pest control

Providing treatments for certain types of pests, helping identify pests, and providing information on treatment.



### Customer access

Housing Service Centre, first point of contact for all resident queries and complaints.



### Resident engagement

Supporting the formal resident engagement panel, tenant and resident associations. Conducting resident surveys.

### Your charge

We estimate the cost for these services for 2016-17. You pay a proportion of the cost based on the GRV\*\* of your home.

### Key

\* Operating overheads are costs for things like office premises, telephones and IT equipment.

\*\* GRV (Gross Rateable Value) is a measure of your property's size and value compared with the size and value of other properties in your block. This is a simplified definition only.

\*\*\* Mapsites help us to calculate leasehold charges such as horticulture and caretaking services. Mapsites give us important details of many of our estates and communal areas including footpaths, estate roads, grass areas, shrub beds and buildings.

# Gas safety – Don't forget your annual check!

All of your gas appliances, including your gas boiler, gas cooker and gas fire should be safety checked once a year and serviced regularly by a Gas Safe registered engineer. You could be putting you and your family at risk and in possible danger of carbon monoxide poisoning if you don't.

For more information on gas safety, see Gas Safe website:

## Gas Safe

**Phone**  
0800 408 5500

**Website**  
[www.gassaferegister.co.uk](http://www.gassaferegister.co.uk)



## Smell gas?

Contact the National Grid  
Emergency Line on 0800 111 999

# Renting out your residential property?

If you rent your property to someone else (sub-let), you will need to register each new tenancy with us. The terms of your lease still apply to you, so you are responsible for your tenants' conduct, keeping the property in a good state of repair and paying the service charges.

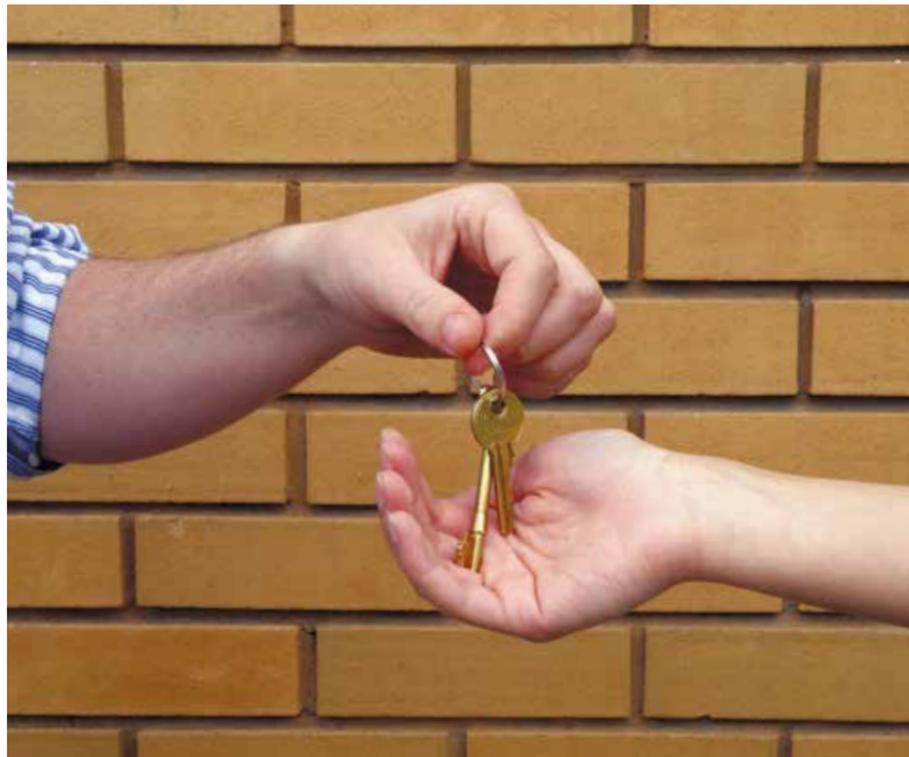
## To register a new tenancy, just follow these 3 simple steps:

1. Ask us for a Sub-letting Pack which includes a Deed of Covenant and a Change of Contact Details form;
2. Complete, sign and return the Deed of Covenant – along with a £25 registration fee;
3. Complete, sign and return the Change of Contact Details form.

Call us on 020 7364 5015 or visit our website [www.thh.org.uk](http://www.thh.org.uk) for more information.

## Check your tenant's right to rent

You must check that your tenant or lodger can legally rent your residential property. You can be fined up to £3,000 for renting your property to someone who isn't allowed to rent property in England. The government's website



has more information on 'tenant's right to rent'. Visit [www.gov.uk/check-tenant-right-to-rent-documents](http://www.gov.uk/check-tenant-right-to-rent-documents).

## Gas Safety

If you let your property to someone else, you are **legally** responsible for making sure your gas appliances, pipework and flues are safe and regularly serviced and safety checked

by a Gas Safe registered engineer. It could lead to a criminal prosecution, resulting in a fine or possibly even imprisonment if you don't. For more information see:

## Health & Safety Executive (HSE)

**Website**  
[www.hse.gov.uk/gas](http://www.hse.gov.uk/gas)



This year, the average annual

cost of heating and hot water for leaseholders (whose home is connected to our communal systems) is expected to be about £512. This is **£200 less** than the average paid by consumers nationally with their own individual systems. We can offer leaseholders a lower rate for communal fuel because we use our 'size' as an organisation to buy gas and electricity at low prices.

# IMPORTANT CHANGES TO SERVICE CHARGE PAYMENT

The Council has had to change its bank account and you may need to update your records. **You should change your LBTH payee details immediately if you pay your service charges by:**

- Standing Order
- Online banking through your own bank
- Telephone banking through your own bank

The new details are:

Bank	National Westminster Bank plc
Branch	161 Bow Road, London, E3 2SG
Account Name	LBTH (SC Collection)
Sort Code	60-03-19
Account Number	75667266

You do not need to take any action if you pay your service charges by:

- Telephone payment direct to an officer at Tower Hamlets Homes office
- The Council's 24 hour automated payment line
- Post Office
- Direct Debit
- By post to the Cashier's Office

**Please do not use the old bank account as your payment may be delayed or rejected.**

## Are you having difficulty paying your bill?

Tell us if you are having difficulty paying your service charges or if you have been affected by the benefit changes. We can tell you about any financial help you could be entitled to including help from the Department Work & Pensions. No matter how difficult your financial circumstances may seem, we will work with you to help you get your service charge account back on track.

 **Phone**  
020 7364 5015

 **Email**  
contactus@thh.org.uk

You can get free debt advice from the **National Debtline**:  
Tel: 0808 808 4000  
Website: [www.nationaldebtline.org](http://www.nationaldebtline.org)  
And free benefit advice from the **government's website**:  
[www.gov.uk/benefits-adviser](http://www.gov.uk/benefits-adviser)

## Ways to pay

Whichever way you decide to pay your bill make sure you have your 11-digit invoice number to hand (printed in the top right-hand corner of your invoice – it starts with 55). Don't use any other letters or digits. That way we'll be able to match your payment with your invoice.

SEE PAYMENT OPTIONS OVERLEAF

DATE	FUND	TAX POINT
01-APR-2016	55	

INVOICE NUMBER	55000000000
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IF YOU HAVE AN INVOICE PLEASE CONTACT US. PLEASE HAVE YOUR INVOICE TO HAND WHEN YOU GET IN TOUCH.

 **Direct Debit**  
Direct Debit is the most convenient and simplest way to pay bills. Payments are made automatically, so bills are never forgotten. To set up a Direct Debit call us on 020 7364 5015, our phone lines are open 8:30am to 5:30pm Monday to Friday. You'll need the following information to set up your Direct Debit with us: invoice number, your bank account details and sort code.

 **Credit or Debit card payments**

- **By phone**  
Call our automated payment line on 020 7364 5015 (press 2) anytime to make a payment by phone.
- **Online**  
Why not pay your bill online? It's quick and easy to do, just logon to: [www.towerhamlets.gov.uk](http://www.towerhamlets.gov.uk). A charge is made for credit card payments.

 **Internet & Telephone Banking**  
For internet and telephone banking, please quote LBTH payee details:  
Sort Code: **60-03-19**  
Account Number: **75667266**  
Reference: Your invoice number

 **Standing Order**  
To set up a standing order, please complete a standing order form online from your bank or building society. Alternatively, you can download a standing order form from our website. Please quote LBTH payee details:  
Sort Code: **60-03-19**  
Account Number: **75667266**  
**Reference:** Your invoice number  
Please send the completed form to your bank or building society.

 **Cheque or Postal Order**  
Cheques or postal orders should be made payable to: 'London Borough of Tower Hamlets'. Write your name, address and your 11-digit invoice number on the back of your cheque or postal order. Send it to:  
**Cashier's Payments, Albert Jacob House, 62 Roman Road, London, E2 0PG.**  
For postal payment receipts, please provide a self-addressed, stamped envelope.

