

Leaseholders Service Charge Working Party

Report to RCC May 2018

Members

Anne Mason - Chair (BEO), Michael Bennett (BEO), Helen Davinson (BEO), Jim Davies (Deputy Chair of RCC), Helen Wilkinson, Mary Gilchrist, Jane Northcote, Phillip Burgess, David Lawrence, David Graves

Meeting - 30 April 2018

Background

The LSCWP had at its previous meeting set three objectives regarding service charges.

Objective 1 - to build a database of service charge data

Objective 2 – to improve communications with leaseholders in order to provide a better understanding of service charge.

Objective 3 – to identify areas for improvements in value for money and formulate KPIs to improve value for money focussing on underfloor

The main discussions at this meeting were on the second and third objectives.

Improving Communications with Leaseholders

Four blocks (Lauderdale, Andrewes, Mountjoy and Speed) have been chosen to receive the trial service charge letter for the 2018/19 estimates.

The letter provides more information on the variances from the previous year's estimate and an additional schedule is included showing the comparison with the 2016/17 actuals.

Leaseholders in the trial blocks will be invited to comment on the new letter and a list of frequently asked questions will be compiled.

Underfloor Heating KPI

There was a discussion on the possible KPI but it was agreed that a discussion with the Underfloor Heating Working Party was needed before this could be finalised.

Further Work

The allocation of Supervision and Management charges across blocks was discussed. The current allocation is based on the cost of works to a block compared with the cost of services overall. This can mean that there are significant fluctuations from year to year. An alternative method may reduce this and be easier for leaseholders to understand.

The working party wanted to have a better understanding of the composition of the charge and there will be further discussions at the next meeting.

There was also a discussion on procurement processes and this will be looked at in more detail at future meetings.