

Frequently asked questions

Rent charges annual review:
April 2016 to March 2017

INFORMATION FOR ASSURED AND ASSURED SHORTHOLD RESIDENTS

HOW RENTS & SERVICE CHARGES ARE CALCULATED

Q: Am I an assured or assured shorthold tenant?

A: Assured and/or assured shorthold tenancies were introduced in 1989. The landlord is responsible for setting the rents for these tenancies, using a formula set by the government (see section - How does East Thames work out rents). Rents are recalculated every year and the new rents are payable from the first Monday in April.

Q: How does East Thames work out rents for existing residents?

A: In 2001 the government introduced a ten year 'rent restructuring' programme that aims to ensure that rents are set in a way that is fair for everyone. This means that all social landlords, including East Thames, calculate their rents in the same way. This is to make sure that rents remain affordable and reflect the size and location of the home. The government's policy means that for each general needs and supported housing affordable home we set a 'formula rent'. This is calculated using the following factors:

- 30% of the formula rent is based on relative property values;
- 70% of the formula rent is based on the relative local earnings; and
- consideration is given to the number of bedrooms so that (other factors being equal) smaller properties have lower rents than larger properties.

East Thames Group has decided to reduce social rents by 1% in 2016-17 in line with government guidelines.

Q: How does East Thames assess the value of properties?

A: East Thames uses a 'beacon' approach to assess the value of homes. This involves selecting a few properties in each postcode area and having these valued independently. This value also takes into account additional factors, as follows:

- communal heating
- additional living/communal space
- additional bed space where property has two double bedrooms compared to one double and one single bedroom
- separate and secure utility room
- new kitchen, bathroom, double glazed windows or insulation
- recently redecorated (internal or external)
- private garden or access to a communal garden
- off-street, communal and secure parking
- private entrance
- new build property

Q: How does East Thames work out service charges?

A: Service charges cover the cost of any communal services, such as grounds maintenance, cleaning, replacing light bulbs and fittings and electricity usage. The charges also cover the cost of maintenance and repair to equipment within shared areas such as lifts, communal TV aerials, CCTV, electronic gates, door entry systems and fire equipment. These lists are not exhaustive.

Some residents also pay a personal service charge and this is shown as a separate charge on their schedule. We use a variable service charge system to calculate the charges. This means we estimate the cost of each communal service and charge you your share of that estimate. These estimates are calculated using contractual information or through analysing past costs.

Q: What happens if the estimate is lower or higher than we have been charged?

A: To make sure you pay the actual cost of the service, we annually compare our estimated cost with the actual cost over the past year and adjust the charge to take the difference into account. We tell residents whether the charge is more or less than the estimate within six months of the financial year end. For the financial year April 2015 to March 2016 we will be writing to residents by the end September 2016. This way, we can make sure you pay the actual cost of services rather than estimated costs.

HOW TO PAY FOR RENT & SERVICE CHARGES

Q: What's the easiest way to pay my rent?

A: You can choose to pay your rent by:
Standing order or direct debit

One of the simplest, fastest ways to pay as the money comes out of your account automatically.

Using your rent payment card in shops displaying these signs

You need to pay at least three days before the rent is due.



Using a debit/credit card over the phone at any time on 0844 557 8321 (automated service) or 0844 557 8323 (to speak to an operator)

You need to have your debit/credit card and rent payment card to hand.

Using debit/credit card on our website, www.east-thames.co.uk/pay-your-rent

cheque payable to East Homes

Please write your name, address and tenant reference number on the back and post to customer account management team, 29-35 West Ham Lane, Stratford, London E15 4PH.

The easiest way to pay is by direct debit, as once it is set up, the payments are automatic and you don't need to worry any further. If you would like to set up a direct debit, find out about other ways to pay, or order a replacement rent payment card, contact us on **0300 303 7333** (Monday 8.00am to 8.00pm and Tuesday to Friday 8.00am to 5.00pm).

Q: Do I need to adjust my standing order or direct debit?

A: Each year we send you a letter explaining how much your rent and service charges will be for the coming year. If you pay your rent by standing order, you need to contact your bank straight away to arrange for the payment to be adjusted from 1st April 2016. If you pay by direct debit, the amount will be increased automatically, so please ensure you have sufficient funds in your account.

Q: What can I do if I'm having problems paying my rent?

A: If you have problems paying your rent, coping with debt, or would like advice on welfare and benefits, please contact us for a free appointment with a welfare and debt advisor. Call our customer contact centre on **0300 303 7333** (Monday 8.00am to 8.00pm and Tuesday to Friday 8.00am to 5.00pm), drop into our head office to speak to a member of our team at 29-35, West Ham Lane, Stratford E15 4PH (Mon-Fri, 9.00am to 5.00pm) or email welfare.benefits@east-thames.co.uk

Q: What do I need to do if my rent or part of my rent is paid by housing benefit?

A: We will be contacting your local housing benefits office to inform them of your new rent. If however, your claim is suspended or is being assessed at the time of receiving your rent increase notification, you will need to take it to your local housing benefits office yourself.

Q: Are service charges payable by housing benefit?

A: In most cases, service charges which relate to communal services are covered by housing benefit. If you are in any doubt, please contact your local housing benefit office for advice. Any personal service charges you incur, particular to use in your own property, will not be covered by housing benefit.

THE SERVICES PROVIDED

Q: My service charge includes a depreciation charge – what's that?

A: Depreciation is a method of recovering the cost of an asset such as lifts, door entry systems, fire equipment, over its estimated life and to provide funding for future replacement. You may notice that we have removed some charges this year where the asset has been fully repaid but revised charges will be re-introduced as and when a replacement is required.

Q: What does the administration charge cover?

A: These charges mainly cover: preparation and distribution of annual service charge schedules, accounting of service charge receipts, and maintaining and updating resident accounts and annual statement of accounts.

Q: Can I get a refund when you have charged me for maintenance of equipment that has frequently broken down?

A: The charges for the maintenance and repair of equipment shown on your service charge schedule are to ensure continuity of the service through regular maintenance checks and a prompt repair service. With these maintenance contracts in place, East Thames does not provide refunds if the service fails.

Q: The internal cleaning/external maintenance provided for my block is not carried out to a decent standard. Who do I need to contact to report this?

A: Cleaning and grounds maintenance services are carried out by interserve on behalf of East Thames. To ensure they are carried out to a decent standard our neighbourhood managers carry out estate inspections, and we always welcome residents who would like to take part in these inspections. If you are concerned about the standards or want to take part in an inspection, please contact your neighbourhood manager or call **0300 303 7333**, stating where you live and you will be put through to the right person.

Q: If I am unhappy with my new charge, what can I do?

A: As an assured or assured shorthold tenant, you have the right to appeal against any rent increase. To appeal, please write to the First-tier Tribunal (Property Chamber) Residential Property (FTT), 10 Alfred Place, London, WC1E 7LR for an independent valuation. Once the FTT have reviewed your rent, they will write to you, advising you of the new revised rent and the date from which the new charge will take effect. For more information visit <http://www.justice.gov.uk/tribunals/residential-property>.

EXPLANATION OF SERVICES

Service	Explanation of charge
Fire equipment	This includes maintenance of fire alarms, extinguishers, lightning conductors, dry risers, smoke alarms, smoke vents and emergency lighting. The charge shown on your service charge schedule could be for one or all of these items.
Dry riser	This is a system of valves and pipe work which enable the fire and rescue service to deliver water onto the upper floors of a building in the event of a fire. Buildings with dry risers need a six monthly visual inspection and annual pressure test to comply with health and safety standards.
Emergency lighting	Emergency lighting is located in communal areas, corridors, stairs and possibly outside above exit doors. It is activated in the event of a power failure and provides three hours of reduced lighting. Testing is carried out every six months to comply with the health and safety standards.
Lighting protection system	These systems are installed to protect high-rise buildings. We carry out an annual inspection and test of the system to comply with health and safety standards.
Risk assessments for water treatment and legionella	If there is a water storage tank in your building that is not connected to the mains water, we carry out an annual assessment to ensure there is no exposure to bacteria such as legionella. This is to comply with health and safety standards.
Electrical testing	We test the electricity service points and cables within communal areas periodically. An annual test is carried out, with a full inspection every five years. This is to comply with health and safety standards.
Fire risk assessments	These assessments are carried out to assess the risk of a fire starting and the consequences of fire and smoke. They are used to reduce these risks in your building. An annual assessment is carried out, with a comprehensive assessment every four years. This is to comply with fire safety legislation.
Passenger lift	Your passenger lift is maintained monthly. If your lift is not working, we will aim to get someone out to look at the problem within 24 hours as a priority, although it can take longer to fix, especially if new parts need to be ordered. If there is a lift in your building, the costs are apportioned to all flats, including those on the ground floor.
Communal repairs	This charge is for repairs to communal areas for things like carpets, manual gates, rotary driers and communal garden equipment.
Pure services	These may include waterways charges and estate costs which are not delivered directly by us. However, these are charges for facilities which we agreed to provide as part of our local authority planning approval and without them, we would not have been able to develop the homes. (They are usually detailed in either the Head Lease or section 106 of the Town and Country Planning Act 1990.) These planning obligations are often a legally binding agreement between the local authority and developer. If you require further details for your property, please contact your service charge officer.
Insurance	You do not need to obtain your own buildings insurance as East Thames hold the freehold and therefore cover this. However, you will need to obtain your own contents insurance. If you need to make a claim against the property insurance held on your behalf by East Thames, please let us know and we will provide you with all the information you need.

If you have any further questions

Call: 0300 303 7333 (Monday 8.00am to 8.00pm and Tuesday to Friday 8.00am to 5.00pm)

Email: rents&servicecharges@east-thames.co.uk

In person: 29-35 West Ham Lane, Stratford E15 4PH (Mon-Fri, 9.00am to 5.00pm)

Online: www.east-thames.co.uk/rents-and-service