

West Kent Housing Association

Scrutiny panel review

Service Charge Communications

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August 2025

1. Executive summary

The West Kent Scrutiny Panel conducted a review into how we communicate about service charges with our residents. The review involved analysing data from a variety of sources, both qualitative and quantitative, to inform the review and recommendations.

We have recognised that the communications sent by West Kent to all customers re their rent and service charges can be very difficult to understand and not very user friendly. We have examined the current template letters and is no explanation about each charge and what it represents. We have explored ways that we can make this simpler and easier to understand.

There are two different communications. The general communication on service charges and increase per year, along with the specific communication on the change from fixed to variable service charges due to take place from April 2026.

We agreed the following would be out of scope as not appropriate for the Scrutiny Panel to review:

- Setting service charges
- Cost of service charges
- Difference in charges for different tenures/ tenancies.
- Impact of changes from fixed to variable

Following the review of information provided, we developed a letter format for the introduction of variable service charges and what this will mean to the residents.

We also wanted to ensure that each element of the charges was explained in the simplest terms, so that residents fully understand what each charge relates to.

We focused our recommendations on communications which explain the changes (due to be sent in October 2025) as well as the rent and service charge letters that are sent in February to all households, including what additional information should be included.

We also recognise the need for specially trained staff to be on hand to answer service charge enquiries.

The scrutiny panel will receive updates on the implementation of recommendations, and a progress review will be held in six months' time. The quarterly panel meetings include performance and satisfaction data, which will provide an ongoing signal of any improvements in satisfaction scores about how we communicate with residents.

- Carolina De Andrade (Review lead)
- Melvin Harwood (Supporting Review Lead)
- Jason Purtell
- Linda May Lee
- Catherine Curtis
- Clive Taylor
- Hans May

This report will outline the specific questions that we wanted answered when considering the communications and how we (West Kent) explain the charges.

It will describe the various methods of research we conducted and our findings which support the recommendation. It is hoped that each recommendation will have a positive impact on resident satisfaction with West Kent's resident communications and help to reduce the number of enquiries and/ or complaints received in relation to service charges and the necessity for each individual charge.

2. Aims.

We have recognised that the communication of service charges is difficult and the information we send can be over complicated and confusing to some.

Initially we considered how best to communicate the charges in the rent and service charge letters which are issued annually in February. During the review we were made aware of the introduction of variable service charges to West Kent Residents. We then looked at how we could best communicate this and explain the changes to our residents.

We also recognised that when statements are issued, this causes a greater influx of calls to the Customer Service Centre, with people concerned about paying their bills or questioning the elements of charges. This places extra pressure on the team and results in referrals to the Service Charge Team – causing additional waiting time for the resident to have their enquiry answered.

Our Service Charge Improvement Lead, David Robb, was also interested on how to design and improve information sent to residents, using guidance from the Panel.

When scoping the review, we agreed on the overarching questions:

- How do we communicate the changes from fixed to variable service charges?
- How do we make bills more easily understood?
- How to explain each element of service charges in a simple, easy to understand format?
- How to make service charge enquiries easier?

3. Terms of reference

Timeline of publications:

- Letter about the changes from fixed to variable service charges due to be sent in October 2025.
- Service Charge Information Leaflet – to be shared with residents when the new rent and service charge bills are sent out in February 2026.

Service Charge Information Leaflet – to be shared with all new incoming tenants once the new service charges are in place in February 2026.

4. Methodology

This review was conducted over a four-month period and evolved with the introduction of variable service charges.

Data from a variety of sources, both qualitative and quantitative, was collected and analysed to inform the review and recommendations.

4.1 Staff presentations and information

We met regularly with David Robb, Service Charge Improvement Lead where he:

- Explained in full the service charges and how they were calculated. Although the actual setting of the charges was not part of the review remit, we were keen to understand the calculation process.
- We were provided with information published by various other housing associations in respect of explaining service charges.
- We received a draft letter explaining the introduction of variable service charges so we could consider the content and make further recommendations.

We also worked closely with the Communications and Marketing Team when designing the communication recommendations.

4.2 Data and information

We received:

- Information relating to service charge resident enquiries to the CST and Rant and Rave feedback.
- Information to show what West Kent are legally required to provide when issuing service charges.
- Examples of service charge information issued by other Housing Associations.
- We received TSM feedback and enquires relating to service charges and given the general themes of enquiries, which was contributory to the recommendations.

4.3 Desktop research

We completed research on West Kent's website, checking its ease of use and functionality.

We received and reviewed:

- Template of Kent Excellent Homes for All (KEHFA) rent and SC letter
- Template of General Needs SC letter
- Template of Leasehold SC letter
- Template of Shared Ownership SC letter
- Rant and Rave information relating to SC's
- Call summaries of SC calls to CST
- SC information leaflets from Raven Housing, Southern Housing, Moat Housing, Accent Homes.
- Welcome pack draft for new residents at West Kent

5 Findings and recommendations

We reviewed the information received and focused our recommendations on West Kents' communications relating to SCs and additional support for residents with questions about them.

Throughout the review process we were supported by the SC Improvement Lead, David Robb and his team, and the Communications and Marketing team. We received information and support during in-person and Teams meetings, which helped us form our recommendations.

We have six recommendations:

5.1 Amendments to the letter being sent to residents to explain the changes to service charges commencing in 2026

We were very keen to simplify the information that residents are going to receive. The Service Charge Team put together a letter to explain the changes and this was presented to us for consideration and any editing. This letter was two pages long (with a further two pages of FAQs).

We spent some time working through the letter and agreed that it was too long and over complicated. We have amended the letter, incorporating the important information that needs to be delivered. In the draft, the letter explains Variable Service Charges in simple terms, and it includes some FAQs. Of particular importance, was the addition of a statement to confirm that West Kent Housing would not profit from any changes to the charges. They are calculated to cover costs only for the services provided. Our version of the letter is simplified to one page with a further two pages of FAQs.

The letter has been reviewed by the Comms team and will be presented to the board as part of this review (and can be found at the end of this report).

5.2 Design a Service Charge Leaflet

We have used information from other providers and designed a leaflet to explain the elements of service charges. The leaflet will have symbols next to each element. Service charge bills will reflect the symbols allowing easy cross reference to make it easy to identify what each charge is for. Symbols or icons can break up text and make documents easier to scan. People remember visuals better than words and this will help them identify key parts of their bills. Symbols are also easier for individuals with lower literacy.

The documents we examined were deemed to be too long and we wanted to simplify the information so that it can be easily understood. We recommend that the leaflet accompanies both the rent and service charge statements and is also provided to new residents. The information should also be published on the website. We discussed sending the leaflet with the initial letter explaining the Service Charge changes in October but feel this could cause confusion and concern as residents may misunderstand and think that they are paying for all of the charges in the leaflet as opposed to just charges specific to their homes and neighbourhoods.

5.3 Rent and Service Charge Bills

The newly designed leaflet has symbols next to each service charge. We recommend that each element on the statements reflect the symbols in the leaflet so that they can be cross referenced for ease of understanding. The symbols will be a visual guide to help explain what each part of the statement refers to.

5.4 Update West Kent Housing Website

West Kent's website should be updated to include the following information:

- Explanation of Variable Service Charges (for example – that not all residents pay for all the services, how they are calculated, how to obtain a breakdown of charges, the right to scrutinise charges and right to have the charges reviewed).
- Service charge leaflet
- FAQ's
- Financial help and advice

5.5 Handling of Service Charge Enquiries

We recognise that there's always an increase in calls to the CST when service charge bills are issued (the last bill resulted in 67 enquiries). We studied the general themes and call data and these were:

- Confirming the amount
- Questioning what to do about benefits: Housing Benefit / Universal Credit
- Incorrect Charges

- Queries about why the increase is out of line with the Consumer Price Index (CPI)
- Why service charges have increased when the work doesn't seem to be done.

Owing to the complex nature of service charges we feel that there should be designated staff on hand to respond to the calls and information. Current practice is that members for the Service Charge Team will “floor walk” in the Customer service Centre to support enquiries and are aware of the peaks in enquiries and prioritise those accordingly. The panel recommend that this should also take place when the changes to service charges are introduced in October.

5.6 Welcome Pack Information

In May 2023 we completed the Voice of the Resident review. One of the recommendations made was for a review of the existing New Tenant Information Pack – we suggested that it should give clear information to new residents about who in the business to contact etc and include Resident Involvement information, along with information about their homes and communities. We have been presented with a draft welcome pack designed by Ellen Salkeld and have recommended that the service charge information from the leaflet including the symbols, are added to the publication. We were impressed with the document and feel that it contains very useful information. We would like to be updated when the pack is approved by the Board as this will complete an action on our previous review.

Summary and next steps

The key messages in this report are about improving communication and the ongoing relationship between West Kent and their residents.

By simplifying the breakdown of service charges, we feel that there will be a reduction in the number of enquiries that are received, and residents will be better placed to understand and accept the changes from Fixed to Variable Service Charges. It is important that residents understand that West Kent will not be profiting from the changes, and that the changes represent a clear and transparent charge for each service that residents receive.

We are presenting the amended draft letter explaining the introduction of service charges for approval from the board. We would like this to replace the current draft as we feel it is simple and easy to understand.

In addition to this, we are presenting the leaflet that we have designed for approval. The leaflet works with the use of symbols relating to each charge that can be cross referenced with the rent and service charge bills that will be issued around February 2026.

If the board are happy with the leaflet, it will then go to another group of involved residents – the Communications Co-Production group, for any further recommendations.

When the review of our communications of service charges commenced, we were not aware of the introduction of the variable charge. We were presented with the draft letter during the quarterly meeting in June 2025, which resulted in the production of a reviewed letter.

The introduction of variable charges was received well as it gives transparency to what is being charge, why it is being charged and that it will vary depending on the services provided / received annually. We did question the use of the term “variable” as the charges remain the same throughout each financial year. It has been explained to us that “variable” is an industry standard term, and the variation aspect is an annual variation dependant on the services provided over the previous year. The variable aspect also means it's different for different residents (variation of charges) based on the services they receive.

There is a table of all recommendations related to the review and responses from the Service Charge Head of Service, the Communications Co-Production group and the head of Voids and Lettings.

A progress report on recommendation implementation will be provided to the panel and West Kent’s Communities and Housing Committee in six months (March 2025).

A resident copy of this report will be published on the West Kent website once residents are made aware of the service charge changes in October 2025.

8. Draft Panel Variable Service charge letter:

Dear *****

Changes to your service charges

From April 2026, we are changing from fixed service charges to variable. This will make things fairer and better reflect the actual costs of the services you receive.

West Kent Housing Association will not profit from these charges.

What is a variable service charge?

A variable service charge is where you pay for the actual cost of the service you receive on an annual basis. We set the charge using the costs for services supplied in the previous financial year, and these costs will be updated annually to reflect any variations.

With a variable service charge:

- You'll never pay more for services than we spend
- You have the right to review any invoices or costs that make up your service charges
- You have the right to scrutinise your service charges, including being consulted on contracts for services and any work we ask you to contribute to
- You have the right to have your service charges reviewed independently if you disagree with them.

Any service charges covered by Housing Benefit or Universal Credit will still be paid.

The charges will be specific to your home and neighbourhood. The services you receive, and anything included in your rent (like repairs) will stay the same.

What's next?

We'll contact you by 28 February 2026 to let you know how much your estimated service charge will be for the 2026/7 financial year.

For further information, please see the enclosed FAQs at the end of this letter, which can also be found on our website, www.westkent.org/servicecharges.

Yours sincerely,

Ken James

Head of Rents and Service Charges

Frequently asked questions

Here are the answers to some frequently asked questions about the change to a variable service charge.

How is my service charge changing?

In the past, service charges have been fixed. This means you paid what we estimated we would spend at the beginning of the year.

We're changing to a variable service charge which means you pay for what's actually spent on your home, building or estate over the year.

Do I have a choice about whether I accept the variable service charge?

No, variable service charges are part of the terms of your tenancy. We know residents want us to be clearer and more transparent about service charges and moving to a variable charge will allow us to do this.

What makes up my service charges?

The costs of the services you receive such as communal energy use, cleaning and grounds maintenance make up the total service charge. This varies depending on the service you benefit from.

More information about the service charges you pay for can be found in your annual rent and service charge review letter, sent each February.

When will I know more?

We'll write to you in February 2026 with your new estimated service charges and you should start paying the new amount in April 2026.

We've mentioned a lot of dates, so we've set out below what happens and when.

We send your rent and estimated service charge for 2026/7	February 2026
You need to start paying your new rent and service charge for 2026/7	April 2026
Our financial year ends	31 March 2027
We send a year-end account confirming what was spent during the 2026/27 year and what your balance is	September 2027
We send your rent and estimated service charge for 2028/9 including the balance issued in September 2027	February 2028

Does this mean my service charge will increase?

Some residents will see a small increase or decrease in what they pay as a result of these changes, but we do not expect it to have a large impact on what you pay.

Cost increases due to inflation would affect both fixed and variable charges.

What if I've overpaid or underpaid?

Once the accounting year ends (31 March), we'll review what's been spent in the year and provide you with a summary by 30 September. This information will tell you the difference between what was estimated and what was spent, with any difference being carried forward to the following year.

Any over payment will reduce your weekly/monthly contributions to service charges or any under payment will increase them.

9. Draft Service Charge Information Leaflet



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Variable service charges explained

What do they mean for you?

Service charges

Each February, we estimate your annual service charge and issue these for the following March to April service charge year.

These charges will be sent to you and are usually included in your rent (this will be dependent on your tenancy type – shared owner/ leaseholder/ general needs etc.). What you pay will depend on your tenancy type, you will only pay for the services you receive. Please refer to your bill to confirm what services you will pay.

After the year-end in March, we calculate the actual costs of the service and your charges for the following year can then either be reduced (if you have paid too much) or increased if the services have cost more than estimated. **We will not profit from any charges that you pay.**

What is a service charge?

This is a charge you pay for a service you receive that is not covered by your rent. These can include the following depending on where you live:

Gardening and grounds maintenance

Cutting grass, maintenance of hedges and shrubs, weed spraying, hard sweeps. Find out more on our website: westkent.org/estatestandards

Cleaning of communal areas

Blocks that have scheduled cleaning including sweeping and washing floors, window cleaning, vacuuming, and other general cleaning.

Lifts

Monthly servicing and maintenance contract.





Repairs

Repairs and maintenance of communal areas and buildings (not repairs we offer to you in your home).

Communal electricity

Lighting in communal areas and other services such as lifts.

Communal buildings and spaces

Utilities, furnishing, kitchen areas, laundry rooms and any other shared areas.

Major works

Replacing roofs and windows, upgrading door entry systems.

Sinking funds

Some shared owners pay into a sinking fund - a pot of money that will be used to cover the costs of major works.

Building insurance

We insure the buildings that you live in, but you are responsible for the insurance of contents.

Management

This is the cost of the home ownership team's time calculating and collecting service charges and our on going communications with all owners.

External managing agents

Some properties may be in a building or private estate not owned by West Kent. The managing agent will invoice us a service charge for services they provide.

Health and safety

Essential compliance surveys like asbestos, fire risk assessments and fire safety compliance.

Legionella

Inspections of cleaning and water sampling, disinfection of communal water tanks and external taps to minimise the risk of legionella.

Who pays the charge and how is it paid?

You as a West Kent resident will pay the charge. The charge is normally paid when you pay your rent. If you are receiving benefits, your service charge will be paid in the usual way.

How do you know which service you are paying for?

Each year you will receive a letter explaining which services you receive. The symbols shown in this leaflet are here to help you identify what services you pay for. The same symbols will also be shown on your bill. You can request a detailed breakdown of charges specific to your address or estate.

How is the charge calculated?

From 2026, we will estimate for the year ahead and as of 2028 we will include the adjustment for the previous year's actual costs for the services. This is the variable service charge calculation. Our estimates will be calculated from costs that have been incurred during the financial year (April to March).

Who gets the money paid for the service charge?

We collect the money and then distribute it to the service providers.

Support and further information
Visit westkent.org/servicecharge for further information.
If you have any questions, please get in touch.
Call 01732 749400 or email help@wkha.org.uk