



"Offering our community more than a home"

Service Charge Policy (Final)

Management Committee submission:	3 February 2026
Last approved:	4 February 2025
Date approved:	
Next review date:	November 2026

CHA Objectives:

- To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.
- To manage the houses provided, in a professional and cost effective manner, for the benefit of our local community and the environment.
- To provide a first class maintenance service which offers value for money and ensures the comfort and safety of our residents while achieving high levels of satisfaction
- To ensure local decision making and community control, we will encourage our tenants and other customers to influence our policy and participate in decisions, which may affect them.
- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.
- To promote social inclusion by applying principles of equality and diversity to everything we do.

Regulatory Standards:

- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these objectives.
- The RSL manages its resources to ensure its financial well-being while maintaining rents at a level that tenants can afford to pay.
- The governing body bases its decision on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
- The RSL conducts its affairs with honesty and integrity.
- The governing body and senior officers have the skills and knowledge they need to be effective.

Any breach or non-compliance with legislation/regulatory requirements in relation to this Policy constitutes a Notifiable Event and the Regulator will be informed via the SHR Portal.

This policy can be made available on request in a variety of different formats, such as on tape, in large print and translated into other languages.

2026 – 2027 Service charges

Please note, that in view of the 6.8% rent increase for 26/27 and following a similarly high increase for 25/26 (4.5%), it is proposed that there is again no increase to service charges for 2026/27.

In accounting for this, figures show greater service charge income based on the current charges than the projected budget costs for the year. The small surplus of around c.£20k is however required to account for any variance in figures caused by invoices and contractor costs not yet having been fully received. We are also still subsidising service charges for original Scottish Homes tenants in the budget, which although reducing under our rent harmonisation programme, still require to be accounted for. As such, it would not be prudent to reduce any service charges at this time. Full information is available for auditors.

In view of this, the policy has been reviewed, but no change to charges have been made from 2025/26, and costs will remain the same for 2026/27 if agreed.

Introduction

The Association provides common services to tenants, sharing owners and owners. Currently these are for common garden/landscape maintenance, common area window cleaning and common electricity/landlord supply in certain areas of the stock. Tenants are only charged for the services they receive.

Equalities Commitment

The Association aims to be non-discriminatory in its policies and practices. We aim to promote equal opportunity by the prevention, elimination, or regulation of discrimination between persons on grounds as laid out in the 2010 Equality Act. We recognise the nine groups as laid out in the act and full details can be found in our Equal opportunities Policy.

An equalities impact assessment was completed as part of this policy review and is attached to the 2026/27 rent policy

Risk

CHA must ensure that the service charges levied cover the cost and management of the services provided.

Legal/constitutional Implications

Relevant legislation – e.g. Housing (Scotland) Acts

There are no adverse legal implications as a result of this report and/or any decision required.

Affordability

All services are included in the rents when assessed for affordability, and as reported to the SHR. In light of this, if extra services were to be requested, we would need to look at these carefully. Tenants were advised of the service charge position within the individual rent policy consultations.

Owners

Owners are invoiced separately for their share of services, and these are determined by their written statements. All amounts used to calculate the costs to tenants include owner occupier numbers to ensure an equal split of costs.

Sharing owners

Sharing owners have service charges included in their monthly occupancy charge. The exceptions are West Thomson Street, Janetta Street, Melfort Court, and 131 Glasgow Road who have their own factoring arrangements outwith CHA. Sharing owner numbers are also included in the calculations for services.

Charges

All service charges for the following year are based on budget provisions, actual invoices and/or schedule of rates as submitted by contractors/energy providers. Account is also taken of extra information from contractors, inflation, or any other particular circumstances, e.g. any expected rise in fuel prices or similar.

Total service costs for the 2026/27 budget for the services in this policy have been set at £258,800. This is based on actual costs to 31 December 2025; however, invoicing may not be fully up to date and contractor costs have not been fully confirmed for the following year.

Based on current charges, service charge income is £279,522, which represents a surplus of £20,722 over the 2026/27 budget amount of £258,000. This surplus is necessary to account for any missing invoicing and/or contractor costs. It is therefore recommended that service costs remain the same for 2026/27 to allow for this.

The following recommendations are made:

- Common Grounds Maintenance - it is recommended that grounds maintenance service charges be held at £72.26 per annum/£6.01 per month for 2026/27
- Common area electricity charges - it is recommended that the common electricity charge be held at £132.08 per annum/£11.01 per month for 2026/27.
- Common area window cleaning - it is recommended that the common window cleaning charge be held at £23.40 per annum/£1.95 per month for 2026/27
- Common area close cleaning – it is recommended that the charge be held at £105.48 per annum/£8.79 per month for 2026/27

In being able to hold the service charges for 2026/27 at these levels, this will also help offset the impact of the expected 6.8% rent increase. The calculations on the next page are based on the current charges.

Common Grounds Maintenance

Total projected annual cost of service for 2026/27 = £125,416.68

The service is provided to 1,739 tenants, sharing owners and owners.

Cost per tenant/owner per annum = £125,416.68 divided by 1,739 =
£72.26 per annum (£6.01 per month)

26/27 Charge = £72.26 per annum/£6.01 per month

Common/Landlord electricity supplies

Total projected cost of service for 2026/27 = £137,933.28

The service is provided to 1044 tenants, sharing owners and owners.

Cost per tenant/owner per annum = £137,933.54 divided by 1037 =
£132.08 per annum (£11.01 per month)

26/27 Charge = £132.08 per annum/£11.01 per month

Common Window Cleaning

Total estimated cost of service for 2026/27 = £7,400.00

The service is provided to 335 tenants, sharing owners and owners.

Cost per tenant/owner per annum = £7,400.00 divided by 335 =
£23.40 per annum (£1.95 per month)

26/27 Charge = £23.40 per annum/£1.95 per month