

Regular Review of Service Charges

Castlehill conducts an annual review of each service charge. We assess the actual costs of services provided at each property and estimate future costs for the next twelve months. Service charges may fluctuate based on past and anticipated future expenses.

Administration Fee

An administration fee, typically set at 10%, is included to cover the management costs associated with delivering and administering services.

Transparency in Charges

Every year, when notifying you of your upcoming rent, we provide a comprehensive breakdown of service charges not included in your rent, ensuring transparency in what you are paying for.

We hope this information clarifies any queries you may have regarding service charges. If you require further clarification, please do not hesitate to contact us.

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What are Service Charges?

Your questions answered.

A Leaflet for Tenants



Welcome to our Service Charges leaflet, designed to provide you with clear insights into the service charges associated with your housing. We aim to explain what service charges are and be transparent methods we use to calculate them.

What is a Service Charge?

A service charge is an integral part of your overall property costs, separate from your rent. While rent covers the cost of managing and maintaining your home, service charges contribute to services beyond your property, typically in communal areas.

These charges may include:

- Grounds maintenance
- Cleaning of communal areas

For instance, if you stay in a block of flats, service charges will cover communal cleaning and grounds maintenance. For those in houses without communal areas, service charges are likely to cover grounds maintenance only.

Determining Annual Service Charges

Service charges differ for each property based on its unique requirements. At Castlehill, we calculate charges based on contractor estimates or previous year expenditures.

Contracts for grounds maintenance and communal cleaning services are typically secured for at least three years, outlining permissible cost increases within agreed limits.

Negotiations with utility suppliers are conducted for fixed periods regarding heating in communal areas. While this doesn't guarantee fixed costs, it aids in cost planning.

The careful planning and monitoring of costs help us address unforeseen expenses, such as the removal of large items, with any related costs being passed on through service charges.

Obligation to Pay Service Charges

If your tenancy agreement includes service charges, payment is a mandatory condition of your tenancy.

Inflation and Service Charges

Service charges are calculated based on actual service costs, making it likely that they will increase in line with inflation.

Profit from Service Charges

Castlehill operates on a non-profit basis. Service charges are billed at cost, ensuring that we do not generate any profit from these charges.

Service Charges Vary

Property schemes and types vary, and services for areas beyond your home are tailored to meet the specific needs of each scheme.