

Service charge consultation – observations and replies



Last updated: 25 April 2023

Received between – 28 February 2023 and 25 April 2023

Observation:

- 1. It would be helpful to have 'open item' statements of account i.e. you show what bills you have sent and how the money paid to you has been allocated against each bill. At the moment, we just get statements showing a balance brought forward, without any clue as to how that balance is made up.*
- 2. I have even seen statements showing charges to the account for which I have never received a bill.*
- 3. MKCC sends out notices saying in effect 'we have incurred £x on you block and you must pay a share'. It would be polite if you would say what the charges are for.*
- 4. It is almost impossible to query the service charges. For example, the four flats in my block are being charged over £600 a year for electricity for lighting the two stairwells - that's 6 fluorescent tubes. I have asked why and whether MKCC could show me a copy of the bill because I can't believe that it can possibly cost that much. In two years I have never received an answer,*

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though I was promised a credit to the account because it turned out that our block had been charged for another block's electricity in addition to the charge for our own block. The promised credit has never appeared on my account.

5. I would also like to know how MKCC justifies a management fee that for the current year is 17% of the estimated costs for the block expenses. By all means charge a commercial rate for what you do but don't expect your customers to pay top dollar for what is currently a very poor level of service.

6. In short, please would MKCC treat its leaseholders as customers, which we are, rather than treating leaseholders as a cash cow which can be hit for any charges which MKCC cares to make, however inaccurate?

Reply: Thank you for leaving a comment. We are sorry that our service to you have been less than acceptable, and we accept that historically our leasehold management service has on occasion been poor. Recognising that there is room for improvement we have commenced two tenant and leaseholder consultations which started in October 2022 and are currently working with customers on a full, service charge review, looking at how service charges are apportioned, set and recovered, service standards and all of the documentation that we provide to customers.

As part of the consultation, we will be looking at management fees and charges.

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Observation: *Why has given permanent housing take so long.*

Reply: Thank you for your comment. There is a national shortage of both social housing for rent and more recently private rented accommodation, so we have a situation where demand is far greater than the supply of new homes. We are not immune to these changes. Whilst we look to buy more housing for rent and where possible build new homes there is a limited supply of funding to complete these activities and with the current economic environment, the cost of land, labour and materials have all increased considerably, meaning that less properties can be built as they cost more. More information is available about how we allocate our available properties by visiting [Housing Allocations Scheme](#) on our website.

Observation: *Doorway main entrance not level slabs uneven prospectrd stony stratford paths rough*

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Reply: Thank you for your comment. You can contact our repairs contractor, Mears by calling 0330 123 2522 24 hours a day and 7 days a week, or email repairs.miltonkeynes@mearsgroup.co.uk to report any concerns and repairs. More information is also available on our website at [Council Housing Repairs](#)

Observation: *I live on beanhill and I'm wondering why quantities of the tin homes are classed as C rated homes no insulation poor widow's and doors who rates the property's*

Reply: Thank you for your comment. A property's EPC – energy efficiency rating is calculated based on a number of different factors, such as design, construction and the level of installation etc. We continue to review these ratings and look to secure government funding wherever possible to fund improvement works to our tenants' homes. Currently our ratings are completed by a competent external contractor on our behalf.

Observation: *Why are we being charged for the repairs when to be honest hardly any of the repairs that are done or are completely ignored. And now we have to pay for a service that is very poorly managed.*

Reply: The consultation in respect of Service Charges is about identifying and separating out the cost of items which should be funded through a Service Charges and not from the Rent element. For tenants, it is the rent element that

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covers the cost of repairs and maintenance to the structure of properties and heating systems, but not those items that have been installed to undertake various tasks such as fire alarms and emergency lighting. The working group will be discussing what a good service looks like in terms of quality, standard and frequency.

You can see what progress the group is making and join if you wish by visiting [Consultation B – Reviewing Service Charges](#). Membership to the group will close on Wednesday 1st March.

Observation: *I work 2 jobs get no government help have had no heating since October because I can't afford to take time off work to get mears to fix it have a wet room that was in the house when i mooved in that they dont no if they can refurb so has leaking toilet and radiator and as for the wonderful fencing that has been put up thats a joke to and unfinished as the neighbours to one side havent had there side done because the property is private its not and even though they are completely rubbish and cut corners leave jobs unfinished it would be nice to get everything done without having to fight and argue I pay full rent and council tax get no government help and struggle but this council do nothing to help people like myself to resolve issues or support working class so my question is how do the council intend to help people like myself.*

Reply: Thank you for your comment, we are sorry to hear that you felt you had to take the tenancy of your current home which had a wet room when you signed up. Properties area allocated according to your needs at the time you took the

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tenancy, if this is not correct, or your needs have changed, please do contact us. If you do have issues with leaks then you can contact Mears our repairs contractor on 0330 123 2522 or email repairs.miltonkeynes@mearsgroup.co.uk, but we will of course need access to undertake the repairs. More details are available on our website at [Report repairs](#).

In respect of the fencing to your property, we can only undertake work to properties and land that we own and where a private property adjoins one of our properties, this may from time-to-time result in issues of this nature.

Social housing rent is a means tested cost and housing benefit and universal credit are available to help tenants with their rent. In addition, as a council / landlord we have a number of schemes to assist residents. Details of all of these are included in your rent increase letter which is being sent out shortly.

Observation: *I occupy a shared ownership property, so I assume this consultation does not apply to me in any way. Please confirm that this is the case.*

Reply: If you are not currently paying service charges for your property it is unlikely that this will change. However, the purpose of this consultation is to identify all of the services that we provide and ensure where appropriate that a new fair and transparent service charge is commenced in due course.

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As part of the consultation, we will also be looking at administration charges and management fees, which for some customers have not been recharged historically.

Observation: *Are we not paying services charges already which is included in the rent of the property? Are you intending to charge separately?*

Reply: At the moment, only around 25% of tenants pay any type of service charges. The aim of the consultation is to identify all of the items of expenditure that relates to us provided a service or maintaining a component that should be covered by a service charge. This means that currently a lot of expenditure on service charge items is funded from rent. If we can introduce a new series of service charges, the saved rent can be used to complete improvement works and perhaps more importantly allow us to build and purchase more properties for families to rent.

Observation: *I have had this property for almost 27 years. Never had a kitchen had a larder got permission to put the kitchen in. I am still with that kitchen. The council choose to use companies who choose not to do the repairs correctly. I feel that I am paying rent. When I fall behind with rent. All I keep getting is threatening letters question is it because I am black I am tired of this I want to buy the property but I am disappointed in Milton Keynes Council how they treat people who have been living on*

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their property for so long due to me taking them to court now one of my fridge is a damage because of the circuit board keeps knocking you call. Can you get people at the other end of the line. I feel that this needs to go to the media, but as I am a proud black woman I will not put it out but I am tired of the treatment. I am living in squalor the property needs fixing and the inspector who came out, has never been to the property before decided to pick faults. All the work I have done has been certified. All the work. Mayers has done is destroying my goods on the property. How do I move forward from this?

Reply: Thank you for taking the time to leave an observation. We are sorry that you are unhappy with the current services that we provide. We have a comprehensive repairs contract with Mears who have been working with us for the last six years. Should you have need of a repair to be completed they can be contacted by calling 0330 123 2522 or by email at repairs.miltonkeynes@mearsgroup.co.uk.

Please rest assured that our aim and that of our contractors should be to complete repairs in a timely and professional manner. From time-to-time things may not always go according to plan and when these things do happen, it's important that we put things right as quickly and easily as possible. If you feel that we are not providing a high level of service response, then please call us to discuss the matter in more detail.

We monitor the state of rent accounts using complex software which identified and predicts payment patterns and looks to address non-payment in a sensitive and professional manner. We are always available to talk to our tenants and discuss when they have difficulties paying their rent. We can signpost them to help and support where necessary.

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Observation: *Hi there, with regards the rent service charge review consultation, section B, I would be keen to find out what services I am paying for as someone who lives in a shared ownership semi detached house. As far as I'm aware, in the 4 years I've been here, I have received no additional services/visits/maintenance help with the property so if charges are to be split out, it would be useful to know what it is I'm paying for please.*

Reply: The aim of the consultation is to identify all of the items of expenditure that relates to us provided a service or maintaining a component that should be covered by a service charge. This means that currently a lot of expenditure on service charge items is funded from rent. If we can introduce a new series of service charges, the saved rent can be used to complete improvement works and perhaps more importantly allow us to build and purchase more properties for families to rent. Once we have ascertained where money is spent and which properties this affects, we will be able to provide further information.

Observation: *Positive. Next door is an interesting app that worth your attention if you're looking for an online platform that connects the local community together through grumble grumble. (screenshot of app provided in email)*

An area to improve is cleaning service charge. Really, there isn't any cleaning. Just the weekly service charge. It would mean so much to me if the bricks, floors, and windows were cleaned at least once a year.

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Reply: Thank you for your suggestions. We will be discussing the cleaning and caretaking service charge at the next meeting. If you would like to join the group visit [Consultation B - Reviewing Service Charges](#)

Observation: *Why do people who rent aren't in line with their income?*

Reply: Housing is offered to people on a needs basis and peoples circumstances can and do often change.

Observation: *I keep receiving messages that make no sense. Am I missing out on something important? Is this a survey? Am i going to loose my home if I don't do something?*

Reply: We have commenced our rents and service charge review project. A letter was sent to all tenants and leaseholders in October/November explaining the 3 consultations that were taking place. Since then, we have sent out SMS text messages and emails where we hold this information on our housing system. The messages do state quite clearly the subject and provide further information. If you could perhaps share an example with us, we can check with our supplier to see if there are any IT issues. Thank you.

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Observation: *Are service charges going up this year for communal areas in flats ?*

Reply: The cost of providing services is reviewed annually as part of the Council's annual budget setting process. Details of the service charges you will pay for 2023-2024 will be sent to you shortly in your rent review letter.

Observation: *Recently Mears electricians were ordered to install smoke alarms in my kitchen, which I find totally irritating. they go off at rising steam or even burning incense. These installations are totally un-necessary in my kitchen and dining room. Please have them removed as they are disrupting my social activities.*

Reply: We take the safety of all our tenants and leaseholders very seriously and must comply with the regulations around fire safety at all times. The installation of fire detection equipment has become a mandatory requirement on landlords in the last few years. Equipment fitted to a room such as a kitchen should be suitable, so normally a smoke detector with a heat detector build in would be installed to stop the problem you are highlighting.