Can you afford not to?

Many landlords are considering how they can change from their existing arrangements to introduce a separate service charge payable only by those tenants who receive the services.

Why are landlords doing this?

- Depooling is much fairer, as only those who receive the services are charged for them.
- Shared services in communal areas have a significant impact on tenants' quality of life.
- Spreading the cost of shared services amongst all tenants can result in underfunded services and poor customer satisfaction.
- Service charge depooling can enable a landlord to properly fund its shared services through accurate charging.
- The additional revenue this raises can enable a landlord to provide high quality services and increase tenant satisfaction.

Why hasn’t depooling already been implemented?

Depooling can have a lot of benefits but implementation can be challenging:

- It can result in extra charges for some tenants and impact on affordability
- It can be administratively complex to implement
- It can involve changes to the tenancy agreement
- It can be a complex issue to communicate
- It does require detailed consultation with tenants
How can CIH and HouseMark help?

CIH and HouseMark have worked with a range of landlords covering every aspect of service charges and delivery of shared services – from the financial appraisal to implementation. Here are some of the things we can do:

- A full analysis of your existing services and charging structure
- Provide a report setting out what the impact of depooling would be
- Advise you on how to undertake consultation with tenants on depooling proposals
- Help you consult tenants on how you can improve current shared service standards
- Work with you to develop a comprehensive depooling proposal and implementation plan
- Project manage the implementation of depooling across your stock

We provide a range of other services related to the assessment, introduction, appraisal and development of service charges which you can access to address any specific issues you have.

Take our service charge MOT

We are offering any interested landlords for a reduced fixed fee a comprehensive service charge ‘MOT’ which provides a high level review prior to committing to a larger scale project.

Within the service charge ‘MOT’ we look at all aspects of your current service delivery and charging and give you an overall assessment in terms of your readiness for depooling.

The MOT will offer you a checklist of where you are and what you need to do in relation to depooling and your approach to service charges more generally.

For those that have already depooled the service charge MOT will focus on service sustainability, user satisfaction, areas for improvement and potential for income maximisation.

Interested?

If you are interested in talking to us about the MOT service, other specific support or simply to find out more please contact info.servicecharges@cih.org or call 0844 561 1758