



# Your service charges explained



We always listen carefully to your feedback, and lots of you have told us you find service charges a bit confusing. So, we'd like to explain more about how they're calculated to help you understand them better.

Service charges differ depending on the type of property and neighbourhood you live in. We've put together an information sheet, about the type of property you live in, explaining your service charges. You can see it by:

- clicking the 'My service charge explained' button below
- or scrolling down, to see the detail in this email.

**MY SERVICE CHARGE EXPLAINED >**

You'll find more details on our [website](#), and we'll also make the information sheet available in your My Sage Home online account in the next few weeks under 'My documents'. In February and September each year you'll receive detailed statements breaking down your service charges in even more detail.

## About your property and service charges

**Your home is part of an estate looked after by a Managing Agent (MA).**

Your Managing Agent is appointed by the developer who built your home and we work closely with them to check they're providing the best service possible to you.

You pay a monthly service charge, which in your case covers the cost of:

- your building insurance
- your estate services
- our management fee.

To make things as easy for you as possible, we collect your estate service charge on behalf of your Managing Agent and transfer this to them. You pay your service charge in addition to your rent payment and we've broken down each part of this for you below:

---

## **Breaking down your charges**

### **Protecting your home**

Building insurance is a legal requirement for all homeowners as part of your mortgage and protects you against structural damage to your home. It's important for your peace of mind that you have the best insurance in place and, because we also own part of your home, we need to arrange your building insurance, working with specialists to get the best value possible.

We don't compromise on your building insurance, which covers almost all eventualities. Because we purchase cover for thousands of homes, we get good value, and you get the added security of knowing your premiums won't increase if you need to make a claim. As a result, you won't find a quote for building insurance, comparable to our specialist cover, on price comparison websites.

---

### **Safe in your community**

Your Managing Agent wants to make sure your neighbourhood is clean and well maintained, as well as feeling safe. They're responsible for keeping the shared areas around your home (including grassed areas) neat and tidy. Your estate charges cover the cost of reputable contractors who carry out routine and unplanned works (such as grass cutting and path clearing).

Your Managing Agent is aware that money is a serious consideration, so they're thorough in selecting organisations that will deliver you with a quality service at the best price possible.

We regularly check your Managing Agent's costs, making sure they are getting you the best value possible and challenging where needed. This cost allows your Managing Agent to keep your local area looking the best it can be.

---

### **We're here for you**

Our friendly team of experts is always on hand to provide support whenever you need. Your management and administration fees cover our costs for providing this team, managing your account and answering your phone calls, emails and My Sage Home queries. The team also create the additional reports required of us by the Regulator of Social Housing as well as managing any staircasing and resales requests.

No one likes getting monthly bills which is why we always check your service charge, working hard to balance good quality services and value for money. We want to make sure you're safe in your home and community, without breaking the bank.

---

## How the service charge cycle works

We provide a service charge estimate at the end of each February, laying out what we believe it will cost to deliver your services from April that year to March the following year. You then pay this estimated amount monthly for the next 12 months. By paying small, regular amounts, you get the services you need without having to pay a huge one-off cost at the end of the year. We need to estimate as we can't always know what work will need doing, such as clearing up after a storm.

In the September of the following year, we check our estimate against the actual cost. If your Managing Agent has spent less than estimated, we give you a credit on your rent account. If they've spent more than estimated, we give you a debit note, asking you to pay the difference. We work hard to make sure your estimate is as accurate as possible and you'll only ever pay the actual costs incurred as we never profit through service charges.

For example, if you paid £20 a month from April 2023 to March 2024, and then we found the actual cost was £18 a month, we would contact you in September 2024 to credit you £24 (£2 a month).

---

## More information

You'll receive more information in a letter about your annual rent and service charge review at the end of February, along with a booklet explaining the costs in more detail.



### London Office

5th Floor  
Orion House  
5 Upper St Martin's Lane  
London, WC2H 9EA

### Northampton Office

2nd Floor  
Lancaster House  
Nunn Mills Road  
Northampton, NN1 5PA

SC-2501-SO-C2A

This email comes from an unmonitored inbox. If you'd like to get in touch with us, please email: [communications@sagehomes.co.uk](mailto:communications@sagehomes.co.uk).