

Dear [Residents Name],

Outcome of Service Charge Review – Woodberry Down (2020–2023) for Social Rent Residents

We are writing to update you on the outcome of our service charge review for your building and estate, managed by the Places & Estates team at Woodberry Down.

Why We Carried Out This Review

Following a challenge from two of our TRA's (Tenant & Resident Associations) on the estate and our own internal checks, we reviewed service charge accounts for 2020–21, 2021–22, and 2022–23. What began as a review of one block expanded to cover all 18 NHG-managed blocks and 5 estates. This detailed process took over a year and involved reviewing thousands of expenditure lines to ensure all charges were accurate, fair, and in line with tenancy agreements and the law.

items is a clearer word to use than lines.

What We Found

We identified and corrected several issues:

- Some costs (e.g. electricity, cleaning) were previously excluded due to missing evidence. Where evidence has now been found, these have been included. Where it's still missing, we have not applied the charge.
- Some charges were misallocated due to coding errors or system changes after the merger. Where required, these have been removed.
- A number of incorrectly applied charges were removed (e.g. window cleaning at Birchwood, a block without communal windows).
- Charges which are not service chargeable under Section 11 of the Landlord and Tenant Act 1985 (e.g. communal repairs and repairs within individual flats) were also removed.

As a result, the accounts for each year have been adjusted.

I find this confusing - the what it means for you and the next steps could be combined and made clearer. And this is the first mention of breakdown so needs to say that a breakdown is attached or not mention it as mentioned on next page. Not clear to me whether 20-21 refund is paid to people or credited to rent account.

What This Means for You

You have already received your final account for 2020–21. If a refund is due, it will be included in your breakdown. You will now receive your final accounts for 2021–22 and 2022–23.

Depending on your individual circumstances, you may receive a refund. Outcomes will vary based on factors like tenure type, handover dates, and services provided at your block or estate.

this is not clear - is it just referring to 20-21? could there be a refund on that year and perhaps a shortfall on a later year? Best to keep 21-21 separate and clear. the other two years are really just normal years but late.

Next Steps

You will receive your:

- **2021–22 final account:** If your account ended in surplus, a Previous Year Balance (PYB) credit will be applied to your rent account. What if a deficit?
- **2022–23 final account:** Any PYB credit or charge will be applied in April 2026.

What exactly does this mean. IS it different to 21/22?

Service charges are based on estimates. At year-end, we compare these with actual costs. If we spent less than estimated, the difference is returned to you. These refunds are due to corrections made during the review and do not reflect the level or quality of services received.

If You Receive Housing Benefit or Universal Credit

If you received Housing Benefit or Universal Credit between April 2020 and March 2023, your refund may affect your benefits.

IS there a de minimis amount re these benefits? The cost of going back and checking these things can be substantial and so surely it people are ongoing recipients of these benefits it is cheaper and easier just to make an adjustment in the year they receive the correction amount. If not there should surely be an amount set for which it is not worth follow up,

You are responsible for informing:

- Hackney Council (if on Housing Benefit)
- The Department of Work & Pensions (DWP) (if on Universal Credit)

We will also notify Hackney Council and the DWP, but please do not rely solely on this.

If your total capital exceeds £6,000 (£10,000 for Pension Credit), your entitlement may be affected, and we would recommend that you seek advice from Citizens Advice or a Law Centre.

To support you we have enclosed an information sheet with contact details for:

- **East End Citizens Advice**, who are funded by NHG to specifically support Woodberry Down residents. They are available on-site at the Woodberry Down office two days a week and can help you understand how any refund might affect your benefits. We have spoken to them in advance so that they are ready to assist, if required.
- **Hackney Council's Benefits Team**, who can provide guidance on Housing Benefit-related queries.
- **Hackney's Here to Help service**, for residents who may be in financial need or require additional support.

Please do not hesitate to reach out to these services if you need help understanding your situation or taking the next steps.

Refund and Final Settlement

We are working with internal teams to finalise refund processing and will confirm dates by **the end of August**.

Enclosed is a breakdown of your refund by financial year. These refunds are considered full and final settlement for service charges from April 2020 to March 2023.

Please note:

- This does not override your tenancy rights or obligations.
- Any credits will be assigned to the property, not individual residents.

Need Help or Have Questions?

If you have questions, please contact the Estate Team at estateteamwd@nhg.org.uk or attend our upcoming drop-in **session [TBC]**.

We appreciate your patience and thank WDCO and the ITLA for their support in reaching this outcome.

Kind regards,

Jada Guest

Estate Operations Manager

Need to mention at end, since charges are all behind, something about expected timeframe for 2024 and 2025 accounts. If 2024 is due by christmas say and if there is a deficit then this would be a further adjustment in 2026 and people need to be prepared.