



WOODBERRY DOWN

SERVICE CHARGE REVIEW – BRIEFING NOTES FOR WDCO & ITLA

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1. Purpose of the Review and Key Findings

The service charge review was carried out following concerns raised by two TRAs and internal checks. It covered the financial years 2020–21, 2021–22, and 2022–23 across 18 NHG-managed blocks and five estates at Woodberry Down. The review aimed to ensure that all charges were accurate, fair, and in line with tenancy agreements, leases, and service charge legislation.

Key findings included:

- Missing costs that could not be evidenced (e.g., electricity, cleaning)
- Misallocated charges due to coding discrepancies
- Incorrectly applied costs
- Removal of non-rechargeable costs from general needs accounts (e.g., communal and in-flat repairs not chargeable under Section 11 of the Landlord and Tenant Act 1985)

These corrections ensure residents are only billed for appropriate and evidenced costs, reinforcing NHG's commitment to fairness and transparency. These refunds are due to corrections made during the review and do not reflect the level or quality of services received.

2. SVC Review – breakdown data and average outcomes per block/core

Please see appendix A, a table which shows average outcomes per block or core, based on the review findings. Please note key terms below:

- **Total Surplus:** The total number of properties where the review resulted in a credit/refund (i.e., actual costs were lower than estimated or adjustments removed charges).
 - **Total Deficit:** The total number of properties where the review resulted in an additional charge (i.e., actual costs were higher than estimated or adjustments added charges).
 - **Total No Balance:** The total number of properties where the review resulted in no change (i.e., no refund or additional charge was necessary)
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3. How surplus and deficits will be applied for:

Social Rent Residents (SR):

- Surplus and deficits will be applied as Prior Year Balances (PYBs) from April 2026.
- The total refund (or charge) across the three years will be divided by 52 and applied as a weekly adjustment alongside the rent increase.



- Our rents team will write to Hackney in March 2026 with new gross charges and PYB's for all households in the borough and new entitlements will be calculated.

Leaseholders (LH):

- Surpluses (if due) will be processed as one-off payments.
- These payments will be posted on leaseholder accounts by the end of October 2025.

All refunds are considered full and final settlement for the service charge years under review. Credits are applied to the property, not to individual residents.

4. Resident Communication

Letters and accounts were hand-delivered to residents on Friday 3rd and Monday 6th October 2025. Each resident received a tailored pack depending on their tenure and property, which included:

- Cover letter with a breakdown table (for both social rent (SR) and leaseholders (LH))
 - Support services flyer (SR only)
 - 2020–21: Accounts review results (SR & LH)
 - 2021–22:
 - Final accounts for SR (with balances capped by Section 20B)
 - Review results for LH
 - 2022–23:
 - Final accounts for SR (with balances capped due to lack of Section 20B)
 - Review results for LH
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5. Resident Support

- **Resident Drop-In Sessions**

To ensure residents feel fully informed and supported, we are hosting two drop-in sessions at the WDCO Office on Wednesday 15 October and Wednesday 22 October, between 7:30am and 6:00pm on both days.

These sessions are an opportunity for residents to speak with the team in person, ask questions, and discuss any concerns.

- **East End Citizens Advise**

Joana from has been fully briefed on the outcome of the service charge review and the refund process for both social rent and leasehold residents. She is ready to advise and support any residents who may visit her with queries or concerns.

Moving Forward

We want to be clear that this type of retrospective review will not happen again, particularly not on accounts that have already been served. This was a one-off response to specific concerns and internal checks, and we fully recognise the disruption and uncertainty it may have caused for residents.

It is also important to note here that NHG has also decided to end the formal service charge consultation period. While this process was originally intended to support resident understanding and input on estate budgets, it is not a legal or contractual requirement. In recent years, as service charge costs have risen sharply, the process became more administrative and less effective at delivering meaningful engagement.

Instead, we are shifting our focus to clearer, more timely communication throughout the year. For estates managed by NHG Places (Woodberry Down included), the Estate Operations Manager may still choose to involve active residents in discussions about significant changes or planned investments, but this will be done informally and locally.

We understand that rising service charge costs are a real concern. As such it is important that we work together with partners to ensure residents:

- Understand why costs are increasing
- Know how the service charge process works
- Receive transparent, consistent updates about their accounts

We remain committed to improving how we communicate and engage with residents, and we thank you for your continued patience and partnership.



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