

HFI Guidance note

Caretaking calculation

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Introduction

- I The following guidance is intended for officers when calculating annual service charges for leaseholders. It outlines the process that should be followed to ensure that caretaking charges are accurately calculated for every leaseholder.

Process

1. Ensure that all properties that should have caretaking are identified and have been set up on the database (prelude). Update any Group Service records, Units and/or number of units etc
2. Check with the Area Housing Office (AHO) Support Managers to establish whether or not any information has changed i.e. change of caretaking duties, patch size, change of caretakers, addresses etc. This is important because you will need to collate financial info which is specific to a given caretaker e.g. accommodation costs.
3. Send the spreadsheet CTHOURSEXAMPLE.XLS to your support managers after the year-end. They will fill in the number of hours worked for each block per month and provide a yearly total number of hours worked. Home Ownership Service will receive back 4 completed caretaking hourly spreadsheets from each AHO.
4. You must request the 12-month budgetary statement for Housing Finance for each AHO and the general borough caretaking on-costs budgetary statement. This will give you the budgetary information with variances etc. You need to request this when Finance closes their accounts in July. See enclosed spreadsheet ONCOSTS-ALL.XLS that will guide you through the applicable costs to use.
5. Request from each AHO the number of Quality Assurance Officers (QAO's) and months employed by HFI – do also the same for the Support Manager &/or Estate Services Co-ordinator (ESCO) Position. Also check to see whether any temporary staff had filled the QAO positions/ Support Manager / ESCO positions and for what length of time. Request the pay

grade of the officers from Human Resources and the hourly rate. Obtain hourly rates for temporary-staff where applicable. Determine the total staffing cost to employ these staff members at each respective AHO for the financial period. Multiply these costs by the proportional amount of time set for QAO's, ESCO's & Support Managers to carry out on-site inspections. For example see enclosed spreadsheet ESCO&QAOSALARIESCOSTS.XLS.

6. Deduct from each AHO budgetary statement costs the salary costs for employing the QAO's, ESCO's and Support Manager's for their proportion spent doing on-site inspections.
7. Request from Council Tax the allowance that is paid in respect of this charge for each residential caretaker for the borough for the respective financial period. Group the residential caretakers council tax allowance into the area housing offices that the caretakers work from. Once done, total all the allowances per AHO to determine the total council tax allowance provided for each AHO. For example see enclosed spreadsheet COUNCILTAX.XLS.
8. You will have all of the names of your caretakers supplied to you via the Support managers. Request the accommodation costs for them, from the rent accounts section. This will show you their weekly rent costs & water rates. Multiply their total weekly cost by 52 to give you the total accommodation cost per caretaker (or by number of weeks that caretaker was residential during the financial year). Group each of these total costs to their respective AHO so that you can determine the total accommodation costs for each AHO. For example sheet see ACCOMMODATION.XLS.
9. From the general borough caretaking on-costs budgetary statement, select and total the costs that will not be re-charged. Deduct these from the total on-cost figure. Split this cost by the total number of caretaking hours worked across the borough. Once done, times this figure by the number of hours worked in each AHO to determine the proportional cost of the borough caretaking on-cost for each AHO. For example sheet see CALCULATEDON-COSTS.XLS
10. You can now start inputting your costs onto the spreadsheet CARETAKINGCOSTSPROCEDURE.XLS. I have enclosed an example. You may wish to alter some formulas within the spreadsheet to account for the need for you to apportion these totals correctly.
11. You will have now calculated the total cost for each block area. Input these totals into the relevant block area on "Prelude". This is a good time to check whether the number of units on prelude matches with the number of units on your spreadsheets.
12. Keep all this information in one file together with any supporting documentation i.e. quality control sheets.

