

This factsheet is to inform of any changes that have been made this year in our approach to calculating estimated charges for the year ahead. In addition, where the cost for a service has substantially changed for all customers, information is given on this. This doesn't however cover any substantial changes that may only impact individual estates, schemes or blocks where we have homes.

General information about service charges is available at our website at <https://my.sovereign.org.uk/service-charge>. You can find further information here about what's covered under our service charge headings and how service charges are calculated.

## **Buildings insurance for leaseholders and some shared owners**

For some shared ownership and leasehold properties, Sovereign (trading as Network Group – or SNG) remains the freeholder of the property. Under the terms of your lease, we are obliged to provide buildings insurance, and you're not able to opt out of the Sovereign policy. You pay towards this cover through your service charge.

For the year from November 2024, we have arranged this buildings insurance via a leading insurance broker: Gallaghers. The insurance will be provided by Axa.

The Financial Conduct Authority (FCA) is the regulatory body for insurance providers and implemented new regulations from 31st December 2023. These are designed to protect the interests of leaseholders and make sure they receive fair and transparent treatment from insurance providers and brokers.

The new rules are focused on the treatment of leaseholders in multi-occupancy buildings. For housing associations, the term 'leaseholder' includes shared owners.

Under the new rules, leaseholders are now considered customers: a shift to emphasise the need for brokers and insurers to act in the best interests of leaseholders. One of the key elements of the new requirements is that insurers and brokers provide information about the policy to the landlord and ask the landlord to pass it to all leaseholders - so that they have clear details about what is insured and what it costs. This is why we are sending you a separate document about the policy, provided by Gallaghers.

The change in regulation does not affect the premium rates in the insurance market - but it does change the way the overall amount is charged back to different leaseholders and shared owners.

The summary of cover gives more detail: <https://www.sovereign.org.uk/advice-and-guides/leaseholder/select-for-social-housing-providers>.

**If you have a query on your premium**, please contact Gallaghers by email: [SNGGroup\\_leasehold@ajg.com](mailto:SNGGroup_leasehold@ajg.com)

## **Fly tipping and pest control**

We have noticed a large increase in fly tipping and pest control, as these are unplanned works we have not been able to always recover these costs.

Therefore, if we think your area may require such works within the year, we have estimated costs for this service. The estimated costs are based on actual costs in your area or set at a minimum charge.

If you notice fly-tipping, report it.

## **Upcoming contract changes**

Some of our contracts for delivering services are due to come to an end over the next two years. You may be contacted to discuss potential contract changes before awarding new contracts that will be in place for 12 months or more. We'd be grateful if you could provide your feedback on these potential changes, so your views can be taken into account.

**If you have any further questions about your charges for this year, please contact us on 0300 5000 926 or email [contact@sovereign.org.uk](mailto:contact@sovereign.org.uk)**