

Service Charges

What are Service Charges?

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These are charges made for the supply of services and maintenance to your block and/or estate. They may include:

Cleaning and Environment

These charges are for the caretaking to the communal areas of your block and estate, the maintenance of the communal grounds and the hire of communal refuse storage facilities.

Concierge / CCTV

These charges include the cost of staff plus the servicing and maintenance of equipment. Some schemes have monitored CCTV cameras only. Concierge schemes may have staff present on an estate whom can also control entry to blocks.

Energy

These charges are for the electricity used by the communal lighting, lifts and any other communal plant.

Heating

These charges are for the fuel that the communal heating scheme uses to provide heating, and in some cases, hot water to properties.

Insurance

This charge is for buildings insurance only. You need to make your own arrangements for contents insurance.

Mechanical Servicing

These charges include the servicing and maintenance of communal boilers, lifts, door entry systems, communal fans, water boosters, fire alarms and associated equipment, lightning protection and water tanks.

Repairs

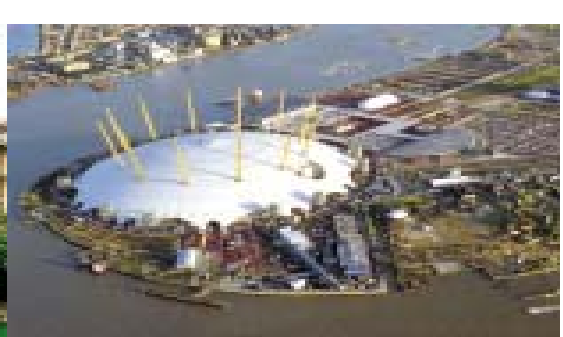
These charges include day to day responsive and general minor repairs to your block or estate. Major or planned works are managed and billed for separately.

Management Fee

These charges represent the landlord's costs associated with the gathering of information from the service providers, calculating and constructing the service charges, managing service charge accounts, invoicing, collecting service charge monies, providing information to leaseholders and dealing with leaseholders' queries.

Ground Rent

The amount of ground rent payable is set out in your lease. A 'Notice to long leaseholder of rent due' is a requirement of the Commonhold & Leasehold Reform Act 2002 and is sent out annually.



Service Charges

How your Service Charges are calculated

Service Charges

Leaseholders and freeholders are charged for maintenance and services to their block and estate. They pay a share of the landlord's cost according to the rateable value of the property and this is payable under the terms of the lease (or transfer document for freeholders).

In April of each year, you will receive an estimate of the likely charges you will incur for the forthcoming year. These estimates are based on the last actual charges available and may include an increase.

At the end of the financial year (31 March), the Home Ownership Service obtains information from the various service providers to calculate the actual costs for those services. The detail provided is then verified so that your charges can be finalised. This process may take up to six months.

In September of each year you will receive details of these final charges and either an invoice or credit note. This will reflect the difference between the estimated amount and the actual charge.

LEASE

Free independent advice on leasehold issues is available from the Leasehold Advisory Service. Their contact details are as follows:

31 Worship Street
 London
 EC2A 2DX Open: Mon-Fri (9.00am–5.00pm)
 Tel: 020 7374 5380

How your Service Charges are calculated

Service Charge contributions are calculated using the rateable value (RV) of your flat, block and estate.

For example:

Flat RV: 213
 Block RV: 3384
 Estate RV: 121318

Estate

If the Estate Caretaking charge to your estate was £13,595.71, your contribution would be calculated as follows:

$$\frac{213 \text{ (flat RV)}}{121318 \text{ (estate RV)}} \times £13,595.71 \text{ cost} = £23.87 \text{ (your contribution)}$$

Block

If the Block Repair charge to your block was £813.62, your contribution would be calculated as follows:

$$\frac{213 \text{ (flat RV)}}{3384 \text{ (block RV)}} \times £813.62 \text{ cost} = £51.21 \text{ (your contribution)}$$

There may be some exceptions to the above formulae and you are advised to contact the Home Ownership Service if you have any queries regarding the calculations. However, all Service Charges are apportioned using rateable values.

