



# UNDERSTANDING YOUR SERVICE CHARGES

SERVICE	EXPLANATION OF CHARGE
Abandoned vehicle	This is the cost of removing a car or van that has been abandoned on your estate.
Audit fees	This is the cost of reviewing and auditing your service charge accounts to make sure they meet the required accounting standards.
Building monitoring	We've recently installed building monitoring equipment into many of our blocks. The equipment enables pro-active, early detection of faults with facilities, including fire alarms and communal heating systems. This will benefit residents as the system aims to identify faults as soon as they occur and notify us, with the aim of making the process more efficient. As a result, there is a small servicing cost included in your service charges. Please note that we carried out the installation of the equipment at no cost to residents.
Car park	This is the maintenance and repair cost for the car park and/or bike park. This can include access, gates and work to any other facilities such as bike, buggy, scooter or electric car facilities.
Caretakers	This is the cost of an onsite caretaker and is based on the time they spend at your estate.
Communal cleaning	This is the cost of cleaning your estate's communal areas. It includes labour as well as the cost of cleaning materials and equipment. Some estates have caretakers who clean communal areas as part of their duties.
Door entry	This is the cost of maintenance and any repairs for your door entry system. This includes keys, key cards, the keypad door locking mechanism and door entry phones.
Electricity – communal	This is the cost of providing electricity in communal areas. This can be lighting in stairwells and entrance-ways to flats. It can also include external lighting in car parks, bin stores or street lighting as well as other electronic equipment, such as lifts or gates.
Electricity – personal	This cost is payable if the electricity provided in your home is part of a shared system.
Electrical – testing	In order to comply with health and safety legislation, we're obliged to carry out testing of all electrical intake points into your building. You would have always been liable to pay for the service, but in previous years we have chosen not to charge you. We charge a fixed rate to all residents for this service. Please note that the electrical testing is charged to your building regardless of whether there is a separate landlords supply.
Equipment	This is the cost of external safety equipment, which may include abseiling gear for external property maintenance or lightning protectors to protect property from storm damage.
Estates	This is the cost of providing and maintaining your estate facilities, such as an estate office.
Fire safety	This cost is for all fire safety requirements, such as communal fire alarm systems and communal fire extinguishers. It includes the cost of annual servicing, weekly testing (as required by law), maintenance of the system and the equipment.
Flooring and furnishings	This is the cost of maintaining, repairing and/or replacing flooring and furnishings that we provide, such as blinds.
Furniture/white goods	This is the cost of maintenance for furniture and/or white goods that we provide in certain homes.

<b>Gas – communal</b>	This is the cost of providing gas in communal areas.
<b>Gas – personal</b>	This cost is payable if the gas provided in your home is part of a shared system.
<b>Green agenda</b>	This is the cost of any new equipment introduced to improve the green efficiency or sustainability of your home. This includes things such as solar energy, solar photovoltaic, ground source heat pumps, wind power, rainwater harvesting and green, brown or blue roofs. These costs may be included in other service charges rather than identified separately.
<b>Ground rent</b>	Most homeowners pay an annual ground rent to the freeholder. It is a fee you pay to the freeholder as a condition of your lease for the land your home is on. This is shown in your lease agreement.
<b>Grounds maintenance</b>	This is the cost of maintaining communal grounds. It includes the cost of cutting grass and shrubs, maintaining flower beds and hedges, picking litter and clearing paths. It also includes the cost of replacing trees and plants and the maintaining footpaths or unadopted roads. Some estates have caretakers who deliver grounds maintenance services as part of their duties.
<b>Guest rooms</b>	Some of our schemes have guest rooms which any resident can book for family members who wish to stay overnight. This is the cost of maintaining and servicing these rooms. When we receive money from renting these rooms to guests, we use it to reduce the cost of this service charge.
<b>Heating</b>	This cost is only for homeowners. This is the cost of heating plant servicing and maintenance.
<b>Insurance</b>	This is the cost of building insurance that we provide for homeowners.
<b>Internet</b>	This is the cost of providing the internet for the remote reading of energy meters.
<b>Intensive housing management</b>	This covers additional management costs where we provide assistance above what is normally required and is for certain schemes only. This intensive management ensures that residents live in a safe and secure environment and that the buildings and site are kept to a high standard with minimum risks. This includes safeguarding, health and safety, tenant information and advice, enforcement and inspections.
<b>Kitchen</b>	This is the cost of maintaining, servicing and replacing communal kitchen equipment.
<b>L&amp;Q management fee</b>	This is the cost of essential activities that we do to manage and provide you with services. This can include a contribution to IT equipment, human resources and legal services. The management fee also covers the costs involved in calculating and billing your service charge and making sure the charges on your account are correct.
<b>Laundries</b>	This is the cost of repairs and/or replacement of laundry equipment, such as washing machines and tumble dryers, that we provide in communal areas in some schemes.
<b>Lift</b>	This is the cost of servicing, testing, repairing and insuring any lifts in communal areas.
<b>Lighting</b>	This is the maintenance cost of lighting, such as replacing lightbulbs, in communal areas. It also includes the maintenance of emergency lighting.
<b>Major works and component replacements</b>	This cost is only for homeowners. Major works are usually large, one-off projects designed to extend and improve the life of your building. Examples include replacing old windows or doors, the roof of your building or old or broken lifts. We must consult with you for any single item of work that will cost more than £250 per property. This is a legal requirement (under Section 20 of the Landlord and Tenant Act 1985) and it sets out the way in which we must consult with you before starting any major works. This is called a Section 20 consultation.

<b>Mobile caretaking</b>	We have several teams of multi-skilled mobile caretakers who provide a service across the estates in our neighbourhoods. They do not work to a rota but will visit sites as requested by the Property Manager, usually following estate inspections. The mobile caretakers carry out general caretaking duties, for example carrying out minor repairs in communal areas and grounds maintenance. We levy a small annual charge for this service that all residents on our managed estates pay. Even if you live in a house, you may pay for mobile caretaking if we provide services to the street where you live. Residents can request a visit from the mobile caretaker via their Property Manager.
<b>Communal electrical testing</b>	This is the cost of testing appliances that are plugged into the sockets in communal areas. This can include lamps, TVs and washing machines. These tests are required by law once a year. This used to be called PAT testing, which stands for Portable Appliance Testing.
<b>Play equipment and play areas</b>	This is the cost of maintenance and repairs to the communal playground areas. This also includes insurance, inspections and the replacement of equipment and/or the ground surface.
<b>Refuse and pest control</b>	This is the cost of refuse collection, communal bin hire and pest control in communal areas.
<b>Repairs and maintenance</b>	This cost is only for homeowners. It is the cost of unplanned communal repairs when something has broken or worn out and needs to be fixed or replaced. We call these 'reactive' or day-to-day repairs. Reactive repairs are usually more expensive than planned maintenance or replacements. An example of a reactive repair is a leaking roof.
<b>Security</b>	This is the cost of security services provided for your estate. This includes CCTV and security staff, such as an out-of-hours security officer.
<b>Sinking fund contribution</b>	This cost is only for homeowners. This is the cost of contributing to the sinking fund for your estate. A sinking fund is a long-term savings account that leaseholders contribute to every month through service charges. This builds up every year and is used to pay for any major work that is required, such as replacing a roof. We must consult with you for any single item of works that will cost more than £250 per property. All sinking fund contributions are held by us and accounted for separately. Interest is earned on the money and is added to the sinking fund balance every year.
<b>TV</b>	This is the cost of servicing and repairing communal TV aerial systems including replacing them with digital/Freeview.
<b>Ventilation</b>	This is the cost of maintaining, servicing and replacing communal fan extractor systems.
<b>Warden call</b>	This cost applies to some L&Q Living schemes. It is the cost of repairing and/or replacing the intercom and fire safety systems. These systems are linked to a contact centre to provide around the clock safety monitoring and response. These alarm systems are called warden call systems.
<b>Water and sewerage</b>	This is the cost of water in communal areas. It also includes testing for Legionella bacteria (which is required by law to keep communal water supplies safe) and treatment costs, land drainage, cleaning and dechlorinating water tanks, as well as water softness. If you are a homeowner this may also include a cost for maintaining and/or replacing external sewers or pipes when these are not your water supplier's responsibility.
<b>Water testing</b>	Like electrical testing, this is a fixed rate service charge to cover our cost of statutory testing of shared water supplies and storage tanks. Water testing is another health and safety requirement, which we carry out to detect and eliminate issues such as Legionella.