

Service charges - what do they cover?

Service charges cover the cost of the services we provide at the block or estate where you live. This document explains the items listed in your 'Estimated Service Charge Expenditure' and 'Service Charge Income & Expenditure Account', together with examples of what they cover.

Service charges differ from estate to estate, depending on the specific services we provide at each one; therefore not all of the examples in this guide will apply to your home.

An 'Income & Expenditure Account' is only provided to leaseholders (including shared owners) and freeholders.

Item	Explanation
A2Dominion subsidy - agent's charge	You are only likely to see this on the 'Estimated Service Charge Expenditure' if you live in a block where the services are provided by a freeholder's managing agent. A2Dominion will be making the contribution for those flats which it lets out on rented tenancies.
Access control	Includes servicing, maintaining and replacing any door entry systems, CCTV equipment, electric barriers and gates, and electrical doors.
Administration fees	Managing and monitoring the contractors for services we provide in shared areas. This only applies to tenants in rented accommodation.
Bin contamination	Bin contamination works are carried out when the local authority refuses to remove domestic waste, specifically recycled waste, if they believe the recycle bin contains items that are not supposed to be there. For example, plastic waste in a food recycling bin, or vice versa. As a result, we have to send our own teams to sort the items in the bins or remove entire waste collections.
Block cleaning	Cleaning shared areas of blocks. This may include washing stairs and floors, sweeping and dusting indoor shared areas, cleaning windows (usually only the internal surfaces of common area windows) and the cost of the cleaning materials. Other costs associated with keeping the block clean may also appear here for example where we clean the external surfaces of all windows.
Bulk refuse removal	The cost of dealing with fly tipping or removing dumped bulky items will appear under this heading.
Balancing charge	This may appear at the end of each 'Income & Expenditure Account'. The balancing charge appears if we have spent more than we have collected from you. The total balancing charge (after applying any credit balances – see 'credit balance' below) from all the relevant schedules for your block or estate is the sum we will be asking you to pay. The total balancing charge (where there is a shortfall in the amount we collected) will only be shown in the letter you receive with your 'Income & Expenditure Account'
Car parking	Any separate charges for parking areas on estates, such as cleaning, line marking, and enforcing rules.
Commercial boilers and renewable energy systems (RES)	Servicing and repairing heating and hot water systems, combined heat and power plants, renewable energy or solar systems, and exhaust air and ground source heat pumps.
Commercial catering equipment	Maintaining and replacing shared catering equipment in our sheltered and supported housing developments.
Communal facilities	Providing laundry rooms, shared kitchens, and common rooms in sheltered developments or hostels, including any white goods, equipment and furniture used within these areas.
Communal gas	Utility providers' charges for any gas supplied to shared areas.
Communal repairs	Carrying out day-to-day responsive repairs in shared areas.
Community centres	Providing community centres, meeting spaces, business centres, and learning and employment centres on estates.

Item	Explanation
Contribution to Major Works	Where cyclical or major works have been undertaken and a sinking fund is in place, this heading will be used to show the contribution from the sinking fund to the cost of the works. Where there are sufficient funds available, the contribution will equal the full cost of the works and any additional management fee charged (see 'cyclical works management fee'). If the funds do not cover the full cost of the works and/or the fee, the funds available to contribute to the works and/or fee will be shown. In such cases you will also be issued with a demand for any difference.
Credit balance	This may appear at the end of each 'Income & Expenditure Account'. A credit balance appears if we have spent less than we have collected from you. The total credit balance (after applying any balancing charges – see balancing charge above) from all the relevant schedules for your block or estate is the sum we will be crediting to your customer account. The total credit balance (where there is a surplus in the amount we have collected) will only be shown in the letter you receive with your 'Income & Expenditure Account'.
Customer account	This is the account we keep which shows the monies you have paid us and the sums we have charged you. This is your personal account and you can view this at any time through ' My Account '
Cyclical and major repairs	Carrying out cyclical and major repairs in shared areas, such as replacing roofs or windows and decorating outside or other shared areas. This heading is only likely to appear on the 'Major Works' schedule.
Cyclical works management fee	<p>For leaseholders, shared owners and freeholders only.</p> <p>Where we undertake cyclical or major works to a block or estate, we make a management charge to cover the costs associated with assessing, tendering, administering, checking and supervising the works.</p> <p>On larger or more complicated works, we may employ specialist consultants to do some or all of this work. In such cases, their fee will usually be shown under this heading unless it is included within the general fee. This heading is only likely to appear on the 'Major Works' schedule.</p>
Electrical and lighting testing	Testing, repairing and replacing electrical systems, including street lighting where this is not provided by the local council. This will include the cost of replacing bulbs where this is not carried out by the cleaning contractors.
Estimated Service Charge Expenditure	You may have heard this also referred to as 'on account charges'. The estimated service charge is the payments we collect to cover the cost of the services we anticipate to provide over the course of the year. The estimated services charges are usually sent out in late February of each year.
Examination fee	Professional agencies' fees to check and certify the service charges we set. This only applies to leaseholders and shared owners.
External agents charge	Managing agents' fees for carrying out estates services on behalf of the freeholder. This will usually appear when A2Dominion is not the freeholder of the block or where the estate is shared with other blocks and the area is the responsibility of another party.
External agents major repairs	Managing agents' fees for carrying out major or cyclical works on behalf of the freeholder. This will usually appear when A2Dominion is not the freeholder of the block or where the estate is shared with other blocks and the area is the responsibility of another party.
Fire safety	Providing servicing, maintaining and replacement of fire systems and equipment in blocks, such as fire alarms, smoke vents, sprinklers, emergency lighting and fire extinguishers, as well as carrying out fire safety inspections.
Gas and heating (personal)	This is the cost of gas consumed by District heating or central energy plants' for the supply of heat and/or hot water to individual flats. We pay the cost of the gas consumed and recover this through the service charge. This is only likely to appear on the 'Individual heating' schedule.

Item	Explanation
Grounds maintenance	This charge covers our contractors' fee to look after the outside areas of estates, such as gardening, mowing grassed areas and litter picking. Other costs to maintain the estate may also appear here, such as the cost of dealing with abandoned vehicles.
Ground rent	This is not strictly a service charge item and we are working on ensuring that it no longer appears on any account. However, it may still be shown on the account and it should reflect the ground rent you are required to pay in accordance with your lease, where A2Dominion are not the freeholder of your block and are not directly responsible for recovering ground rent for the freeholder.
Income & Expenditure Account	For leaseholders and shared owners only. Your 'Income & Expenditure Account' is a comparison of the service charge money we have collected from you with the money we have spent on the services provided to your block or estate.
Insurance	Arranging buildings insurance for our properties. The cost included in this figure includes separate insurances for Public Liability Insurance - which covers injury or death to anyone on or around your block or estate - and Terrorism Insurance - which covers potential losses and liabilities that might happen due to terrorist activities. Note: This does not include home contents insurance. You are responsible for arranging this to cover your personal belongings.
Invoiced on account	This is the sum of money we ask from you at the beginning of each year to pay for the services we anticipate providing in the year ahead. In the 'Income & Expenditure Account' it refers to the total amount we have charged you for the year gone by.
Legal fees	This is where we have incurred legal fees that we are entitled to recover as a service charge.
Lighting and electricity	Providing outside lighting at estates and blocks, and on estate roads. It also includes the cost of providing lighting in shared areas and includes the electricity costs of running all electrical equipment such as lifts.
Management fee	Managing our estates, such as carrying out site visits, dealing with queries and requests, and arranging contracts for services. This only applies to freeholders, leaseholders and shared owners.
Mobile warden service	Contractors' fees for visiting estates or blocks, and carrying out patrols. This service is mainly used outside office hours at estates where residents have told us extra support and resources are needed to deal with issues such as antisocial behaviour.
Onsite staff	Employing any caretakers, cleaners, concierge, night-time cover, residential managers or any other staff based at an estate or block.
Paladin hire	This will usually be the cost of hiring any large bins from the local council or other costs associated with the removal of normal household waste from flats within blocks or on estates.
Passenger lifts	Servicing and repairing any lifts.
Pest control	The cost of eradicating pest from blocks or estates will be shown here.
Playgrounds	The cost of inspecting and maintaining play equipment in shared areas.
Safe working systems	Inspecting and maintaining safety wires, bolts and cradles within various systems to make sure they are safe.

Item	Explanation
Schedule	<p>There are up to seven different schedules which we provide services under. These are:</p> <ul style="list-style-type: none"> • Estate • Block • Sinking fund • Major works • Water • Parking • Individual heating <p>Under each schedule will appear headings (explained in this guide) which we anticipate we will provide services over the course of the year (or possibly longer). For example, if you have a car park on your estate, you may find that the services we provide you include electricity, access control and grounds maintenance. Each estate or block is likely to have a number of schedules. The overall cost will be based on the total of all schedules applicable for your estate or block.</p> <p>You may see similar headings in different schedules. For example, if you live on an estate where there is more than one block and you have a gate for the entire estate, you may see the heading 'Access Control' on the schedule for your block, and you may see this same heading on the schedule for your block if your building has a door entry system.</p>
Sewerage plants and pumps	Servicing and maintaining sewage plants and pumps, and surface water pumps.
Sinking fund	A fund you may pay into to build a reserve sum of money. This is used to pay for more expensive work to shared areas of your property, such as replacing a roof or repairing a lift or the cost of cyclical works. This is only payable by leaseholders (including shared owners) and freeholders.
Telephone and internet services	Service providers' costs for any telephone or internet services supplied to a block where we pay this on behalf of our residents. This mainly applies to our sheltered and supported developments. It may also appear where we have machinery, such as lifts, which has a line that may be used in the event of a breakdown.
Trees	The cost of looking after trees, including periodic inspections, pruning and surgery will appear here.
TV aerial or satellite system	Service providers' fees for any shared TV, digital, cable, or satellite system installed for the estate or block. This is separate to any fees residents pay to providers for subscriptions to particular services.
Ventilation	This includes mechanical ventilation, heat recovery and air conditioning. Servicing, maintaining and replacing shared extractor fans; domestic mechanical ventilation; heat recovery; and air conditioning systems.
Warden call systems	Servicing, maintaining and repairing warden call systems.
Water charges (landlord)	This is the charge for the water supplied to the landlord. The water will usually be used to clean and wash shared areas at the estate or block. It is not the cost of water used by residents in their homes.
Water hygiene	Testing for and monitoring Legionella, as well as carrying out risk assessments and maintaining water systems.
Water pumps	Servicing, maintaining and replacing water and sump pump systems.
Water rates (personal)	Utility providers' costs for any water supplied to individual flats, where we pay this on behalf of residents initially. This heading is only likely to appear on the 'Water' schedule.